2010

CITY OF REGINA

GENERAL OPERATING PROGRAM

AS APPROVED BY CITY COUNCIL

City of Regina | REGINA
Infinite Horizons

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City of Regina | REGINA
Infinite Horizons

Office of the City Manager
March 22, 2010

To: His Worship the Mayor,
and Members of City Council

Re: 2010 General Operating Budget and Other Funds Budget

Pursuant to Sections 128 of *The Cities Act*, City Council is required to adopt an operating and capital budget. The budgets summarized in this document are the proposed 2010 General Operating Budget and the 2010 Costing Fund Budget. The General Operating Budget for 2010 includes a 4.0% municipal mill rate increase. The 2010 General Operating Budget totals $269 million in expenditures, an increase of $12.9 million or 5.0% over 2009.

The 2010 General Operating Budget reflects City Council's Vision:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

This vision provided the starting point for the development of the Corporate Strategic Plan – *Accelerating Excellence*, with four Strategic Priorities to guide our budget process.

The Strategic Priorities established in *Accelerating Excellence* include:

- Managing Growth and Community Development;
- Strengthening City Infrastructure and Managing Assets;
- Achieving Operational Excellence; and
- Ensuring Organizational Capacity and Effectiveness.

The budget provides City Council an opportunity to prioritize and invest in those areas that it feels will best address the needs of the community. This process requires a review of service levels, as well as the financial status of the City to ensure funding is available to pay for the services provided. The City of Regina continues to grow and diversify, and this budget is intended to work toward supporting these changing needs. The primary areas of investment in 2010 are as follows:

- Supporting family-friendly communities;
- Delivering services that enhance the quality of life;
- Building and maintaining our street and sidewalks; and
- Growing our city responsibility.

This investment is reflected in the 2010 general operating budget through:

- Increased resources for Regina Police Service, including funding for three additional officers beginning in July 2010.
- Resources to deliver City services including continued investment in the transit system, solid waste collection, and bylaw enforcement.
- Continuation of the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects.
- Investment to address the growth of the community, including new streets and roads, improvements to our waste system, continued community investment funding, and new investment in the Downtown City Square project.
- Providing value for tax dollars, including maintaining competitive tax rates, identifying operating savings to support new investments, and maintaining a strong credit rating during volatile economic times.
- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public accountability.

The increase also includes estimated additional costs for wages and benefits totaling $4.8 million. The collective agreements for all civic unions expired at the end of 2009. Settlement of these contracts will be reflected in the higher labour costs seen in other public sector organizations, as well as across the labour market in general.

The 2010 budget for the Board of Police Commissioners is $58.7 million, an increase of about $2.9 million or 5.3% over the 2009 budget. The increase in expenditures is partially offset by increased revenues of $1 million. The capital contribution required for the Board of Police Commissioners for 2010 is $1.1 million, with a further $262 thousand provided from the General Fund Reserve. This is an increase of $262 thousand from the amount provided in 2009.

This budget was developed with $25.9 million in funding from the Municipal Operating Grant Program (MOG). This program was originally intended to deliver 90% of 1% of Provincial Sales Tax (PST) in 2009 for municipal funding, and grow to 100% of 1% of the PST in 2010. Early in 2010, the Provincial Government has indicated the municipal funding will be frozen at 2009 levels. The result is that the City of Regina will receive $8.4 million less in 2010 than the original agreement guaranteed.

The 2010 General Operating Budget also includes the use of $2.5 million from the General Fund Reserve, as the 2009 surplus is allocated to support our 2010 investments. Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2010 due to these factors.

To continue to deliver programs and services in support of Regina's growth, while making progress on our vision, the City of Regina is recommending a 4.0% increase in the mill rate in 2010. The budget reflects a balanced approach to addressing the strategic priorities, including the use of a portion of the 2009 surplus, and an effort to strengthen the City's reserves for future needs.

Respectfully submitted,

GBDavies

Glen B. Davies
City Manager

Introduction

Introduction

Budget Overview

The 2010 General Operating Budget recommends a 4.0% mill rate increase while maintaining our existing infrastructure and increasing services provided by the City. The increase is necessary to maintain a balanced approach in accomplishing our strategic priorities while preserving the financial stability of the City.

The budget identifies investments for Regina neighbourhoods, infrastructure, facilities and services that benefit residents and aligns with City Council's vision for the City.

The 2010 General Operating Budget has been developed to support the City's Vision and Strategic Priorities, with funding for improved services and community initiatives, including:

- Increased resources for the Regina Police Service, including funding for three additional officers beginning in July 2010.
- Investment to address the growth of the community, including new streets and roads, improvements to our waste system, community investment funds, and new investment in the Downtown City Square project.
- Resources to deliver city services including additional investment in the transit system, solid waste collection and bylaw enforcement.
- Consistent funding to the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects.
- A significant multi-year investment in a new landfill site and decommission of the existing site.
- Implementation of the Downtown Neighborhood Plan, City Square Project.
- Providing value for tax dollars, including maintaining a competitive tax rate, identifying operating savings to support new investments, and maintaining a strong credit rating during volatile economic times.
- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public accountability.

The increase also includes additional forecasted costs for wages and benefits in anticipation of successful agreements reached with the City's bargaining units. This increase also includes market supplements for certain occupations where the current labour market conditions have made recruitment and retention an issue.

The 2010 budget for the Board of Police Commissioners is $58.7 million, an increase of about $2.9 million or 5.3% over the 2009 budget. The increase in expenditures is partially offset by increased revenues of $1 million. The capital contribution required for the Board of Police Commissioners for 2010 is $1,052,000 and an additional $262,000 from the General Fund Reserve.

The budget includes ongoing funding for Community Investments with a commitment of $6.9 million in 2010. The budget includes funding for a number of community initiatives including:

- $1.65 million for Wascana Centre Authority,
- $200,000 for the University Industry Liaison Office,
- $190,000 for the World Men's Curling Championship,
- $803,000 for Regina Regional Opportunities Corporation.

The budget reflects increased tax revenues of about $10.5 million as a result of the 4.0% mill rate increase changes to methodology of recognizing assessment risk and growth in the assessment base. It also reflects some projected increases in revenues related to the continuing strength in the construction sector.

The budget includes Regina's $25.9 million share of the Provincial Municipal Operating Grant, the same funding level as 2009. Based on commitments provided by the Provincial Government in 2009 regarding the funding formula, the City had expectations of receiving an additional $8.4 million.

This funding freeze, along with a $16 million reduction in one time funding from the Municipal Economic Enhancement Program create significant pressure to deliver a balanced 2010 Operating Budget.

The mill rate, applied to the taxable assessment (including the assessment of grant in lieu properties), determines the total tax revenue that is generated. Mill rate increases are generally necessary to maintain the financial sustainability of the City. Not withstanding the recommended 4.0% increase in mill rate for 2010, the City of Regina is competitive relative to other major Western Canadian cities as the chart below illustrates. In an era of growth, it is important for the City to continue to invest in its infrastructure and capacity to deliver needed services.

	2005	2006	2007	2009	2009	5 Year Average	Proposed 2010
Calgary	3.50%	4.40%	4.00%	4.50%	5.30%	4.34%	4.79%
Edmonton	5.40%	3.40%	4.95%	7.50%	7.30%	5.71%	5.00%
Red Deer	0.00%	1.60%	9.76%	8.66%	7.05%	5.41%	3.31%
Saskatoon	3.94%	1.86%	4.76%	5.44%	3.41%	3.88%	3.86%
Regina	4.00%	0.00%	3.91%	2.84%	0.00%	2.15%	4.00%

2010 Budget Process

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2010 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2010 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities. Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities.

Corporate Strategic Planning and Performance Management Process

In early 2007, City Council updated its Vision for Regina as follows:

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Corporate Strategic Plan

In November 2007, the Executive Leadership Team endorsed in principle our first, five-year corporate strategic plan: Accelerating Excellence, 2008-2012. It is the highest level of planning in the Corporation and it represents a roadmap for the entire organization. It takes direction from Council and communicates our Vision, Mission, Values, Strategic Priorities, Key Areas of Focus and Outcomes enabling the Divisions of our City to develop and align their business plans. Combined, this forms the "line of sight" for the community, Council and employees.

Background

The Core Services Review that was completed in 2004 recommended that the City of Regina develop a corporate strategic plan and a corporate performance management program. The Core Services Review final report stated[1]:

> "A theme that repeated itself throughout the core services review focused on the lack of a strategic link between the Community Vision that [had] been created by Council and the activities of the municipal corporation. Articulated in various ways, there was a lack of understanding about how the municipal corporation itself and the many service areas within it were meant to support and realize that Vision."

To establish the strategic link, and galvanize our efforts, the City of Regina undertook a strategic planning process to strengthen the relationship between the community, Council and our employees in keeping with our Accountability Framework. This framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

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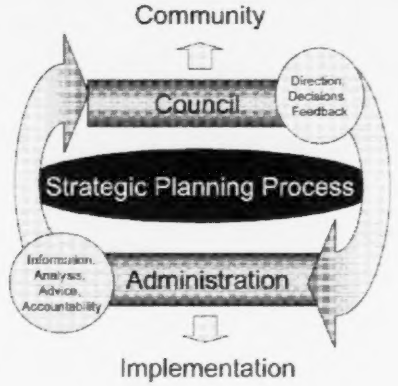
[1] "Final Report: Core Services Review", TkMC, November 29, 2004

City of Regina Accountability Framework



Business Planning

During 2008, divisional business planning began using the corporate strategic framework as a basis for planning. In addition to this "top-down" approach, Divisions also incorporated their knowledge of customer and citizen priorities, facility and infrastructure requirements, and their daily analysis of risks and opportunities resulting from ongoing operations – a more "bottom-up" approach. The two approaches working together ensure that the corporate strategic approach will integrate into Divisional business plans that are both strategic and responsive.

Beginning in 2010, business planning will cascade Departments from Divisions and to the Branch levels. As planning cascades through the organization, the level of engagement and detail will become increasingly refined. Participants in the planning sessions are cross functional to ensure an integrated approach and a 'de-siloing' of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Priorities to provide better context for their planning efforts.

Corporate Performance Management Program

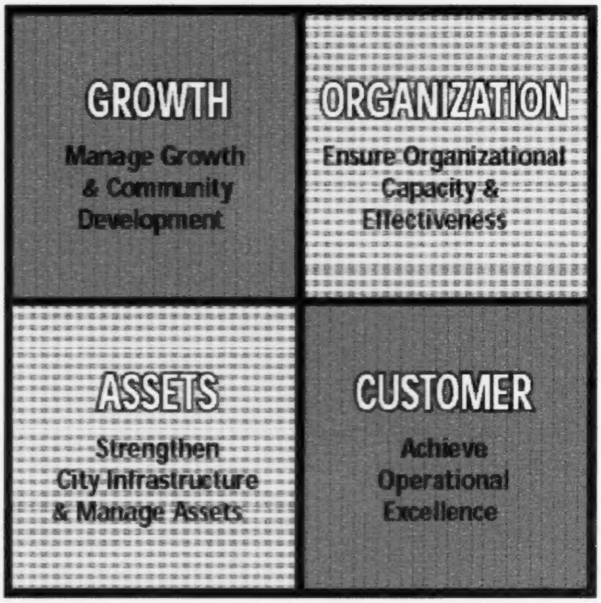
Accountability for delivering on a plan requires that performance be measured. In this way, the Corporation can ensure that it is making progress against that plan. Accordingly, the City is developing a Performance Management Plan (PMP). The PMP will embed the Vision, Mission and Values in how we manage our services, resources and assets by establishing benchmarks and service levels, as well as report on our progress. We are committed to building a comprehensive PMP and have taken some early first steps.

During the first quarter of 2008, the development of a balanced scorecard was initiated. Corporate performance has been measured in four dimensions: Customer, Assets, Organization, and Growth. Through 2009, preliminary metrics have been developed to measure the corporation's progress on the highest level outcomes articulated in The Corporate Strategic Plan – Accelerating Excellence, in each of these four dimensions. This work will continue into 2010, and will form the basis of public reporting on the City's progress.

In 2011, the City of Regina will produce its Annual Report which will describe the progress that has been made in Accelerating Excellence. Since municipal government has the highest level of transparency within the public sector, reporting progress to the community and Council is critical.

The Corporate Strategic Plan - *Accelerating Excellence* - identified four strategic priorities:

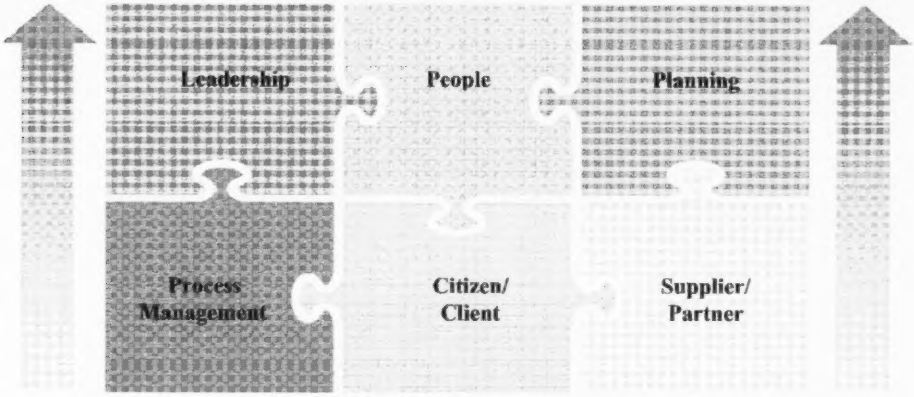
A Vision for Regina



GROWTH Manage Growth & Community Development	**ORGANIZATION** Ensure Organizational Capacity & Effectiveness
ASSETS Strengthen City Infrastructure & Manage Assets	**CUSTOMER** Achieve Operational Excellence

National Quality Institute

To ensure continuous improvement in all areas of the Corporation, the City of Regina will intensify its efforts to become the best run municipality in Canada by joining the National Quality Institute's (NQI) Progressive Excellence Program for the Public Sector. NQI's Strategic Quality Approach focuses on best practices in six key areas:



Principles for Excellence

The City of Regina attained level one using NQI's quality criteria in 2008 and has established a goal to achieve level two by the end of 2010. Attainment of the NQI gold standard is one benchmark that provides the City with external validation that it is successfully becoming one of Canada's best run municipalities.

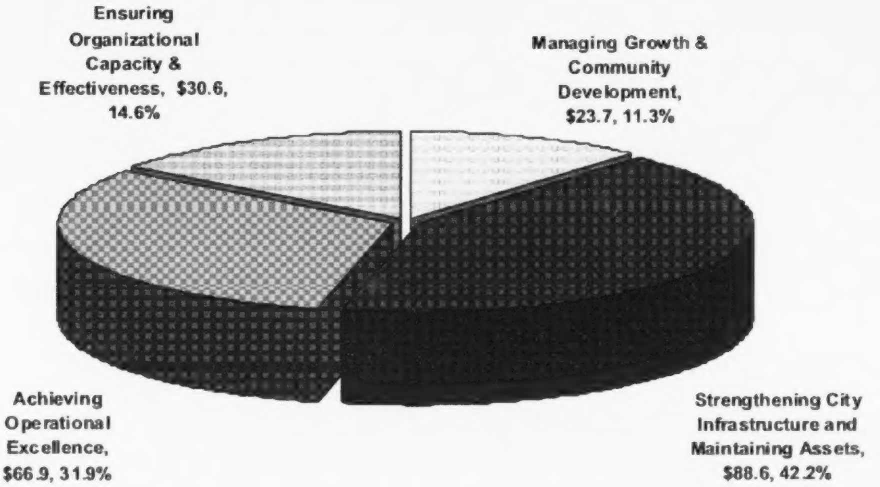
Budget Development

The 2010 budget development process was driven by the divisional business plans, which reflect the operational response to the corporate strategic plan. They reflect the implementation of strategic decision making through the administration as outlined in the Core Services Review recommendations.

In addition to the typical departmental and program breakdowns used in the budget process, Divisions were asked to categorize their 2010 budget expenditures by strategic priority. Based on this information, the 2010 budget includes the allocation of human and financial resources to these strategic priorities:

2010 General Operating Expenditures

Expenditures By Strategic Priority – 2010
(millions of dollars)



The following sections provide further information about the factors driving the strategic priorities and how the requests for additional or one time funding are linked to those priorities:

Managing Growth & Community Development

This Strategic Priority ensures we anticipate and prepare for our City's growth and are responsive to the needs of our community. Experience in Western Canada has shown the importance of properly managing growth. It is vitally important that growth be managed proactively, and that citizens who may be unable to fully participate in the positive economic climate are not forgotten. Anticipating and preparing for Regina's growth and being responsive to the needs of our community helps the City remain vibrant and sustainable.

Prior to 2007, for many years, the City had been operating in an environment where growth in terms of residential and commercial development was relatively slow. The current conditions require some shifts in the way services are delivered, and in the way resources are allocated.

2009 was the seventh consecutive record year for the value of building permits – 34% higher than in 2008. Housing values have remained strong in Regina. The housing price increases that occurred through 2009 have held and continue to keep pace with inflation. Rental accommodations continue to face pressure with low vacancy rates and increases in average rent in the range of 10% per year.

Saskatchewan continues to lead the rest of Canada in most economic indicators. While Saskatchewan did not completely escape the impact of a global recession in 2009, Regina's economy lost no ground. Projections for 2010 suggest that the provincial economy will remain strong and Regina's economy will grow by 2.9% *(Conference Board of Canada).* Net migration to Saskatchewan continues to be positive and more people are calling Regina home. The commercial/industrial sector in Regina continues to do well. For example, whereas in 2008, commercial/industrial building permits made up nearly 51% of the value of permits issued, in 2009, that proportion grew to 68%.

The 2010 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Managing Growth and Community Development:

			2010 Full Time Equivalent Positions	
	Description	**2010 Cost**	**Permanent**	**Casual**
1	Campus Express - three express routes	512,000	9.0	-
2	Investment in Planning & Development	147,500	3.0	-
3	Investment in Information Technology	147,500	2.0	-
4	Downtown Neighbourhood Plan Implementation	170,000	2.0	-
5	New open space maintenance	99,000	-	2.3
6	Extension of solid waste collection	40,000	-	0.3
		1,116,000	16.0	2.6

The 2010 General Operating Budget includes the following funding on a one-time basis for 2010 related to Managing Growth and Community Development:

			FTE's
	Description	**2010 Cost**	**Casual**
1	Enhanced arena operations	500,000	-
2	Investment in Planning & Development	295,000	5.0
3	Investment in Information Technology	295,000	-
4	Official Community Plan - modified Master Plan	150,000	-
5	Consulting Services - OCM	75,000	-
6	Downtown Neighbourhood Plan - Urban Design Review	30,000	-
7	Design of Waste Plan Program	30,000	-
		1,375,000	5.0

Strengthening City Infrastructure & Manage Assets

This Strategic Priority is related to strengthening our City infrastructure systems and managing other tangible and financial assets. It ensures that our city is strong and financially sustainable.

The existing municipal infrastructure is ageing and investment has not kept pace in maintaining optimal infrastructure condition levels and ensuring that lifetime investments required are minimized. The City's total infrastructure has a replacement value in the order of $10 billion and an additional $2.1 billion of additional infrastructure is required over the next ten years.

The City faces challenges in maintaining the wide assortment of infrastructure used to deliver City services. In Regina, there are over $10 billion worth of public and city operational buildings, streets, roads and sidewalks, traffic signals and signs, vehicles and equipment, parks and open space, trees and athletic fields. Over time, all of this infrastructure will require replacement but in the next ten years, $2.1 billion of new infrastructure is required. Within the current financial model, the City cannot afford to maintain and renew all of these assets, relying exclusively on property taxes as a revenue source. When additional federal and provincial infrastructure funding is provided, it is critical that those funds be used in a manner that provides value for years to come. The City's strategy for ensuring this occurs includes:

- Implementing effective asset management techniques such as lifecycle costing and preventative maintenance programs.
- Exploring community partnerships – with both public and private organizations – to provide the infrastructure to support the services Regina's citizens require.
- Promoting rationalization of facilities and infrastructure, which could include multi-use or consolidated facilities.

The 2010 General Operating Budget includes additional funding for the following items on an ongoing basis related to Strengthening City Infrastructure and Managing Assets:

			2010 Full Time Equivalent Positions	
	Description	**2010 Cost**	**Permanent**	**Casual**
1	IT software/hardware maintenance	70,200	-	-
2	Parks & Facilities Office Building Operations & Maintenance	65,800	1.0	-
3	Building operations monitoring	20,000	-	-
4	Landfill gas system operations	20,000	-	-
		176,000	1.0	-

The 2010 General Operating Budget includes the following funding on a one-time basis for 2010 related to Strengthening City Infrastructure and Managing Assets:

			FTE's
	Description	**2010 Cost**	**Casual**
1	Bridge washing	150,000	-
2	Building upgrades - monitoring	50,000	-
3	Pasqua Neighbourhood Recreation Centre operations	45,000	0.9
		245,000	0.9

Achieving Operational Excellence

This Strategic Priority focuses on providing excellent customer service to our community.

The City operations are comprised of many different areas of specialization, including planning and development, engineering, protection of people and property such as fire services, transportation, recreation, enforcement and safety, administration, legal services, and communication.

The citizens of Regina should expect to receive a high quality of service from their City. This strategic priority reflects the need for all areas of the City to be able to deliver high quality services in a professional and integrated manner. Our goal is to deliver excellent customer service through efficient, customer focused processes and increased customer awareness and involvement. In 2008, the City launched its new Customer Service Strategy and in 2009, completed a cross corporation customer service training program.

Key to the effort to improve service, in early 2010, the City Administration will be adopting a new Public Engagement Framework that was piloted in 2009. By systematizing public engagement by the City of Regina, citizens and customers can be assured that their input will be sought and will be informed of how that input will influence any decisions to be made about kinds and levels of service.
The 2010 General Operating Budget includes the following items on an ongoing basis, related to Achieving Operational Excellence:

			2010 Full Time Equivalent Positions	
	Description	**2010 Cost**	**Permanent**	**Casual**
1.	Increased gopher control	64,500	0.9	-
2.	City Hall Parkade operations	12,000	-	-
		76,500	0.9	-

The 2010 General Operating Budget includes the following funding on a one-time basis for 2010 related to Achieving Operational Excellence:

			2010 Full Time Equivalent Positions	
	Description	**2010 Cost**	**Permanent**	**Casual**
1	Community Branding Strategy execution	275,000	-	-
2	JEEP HazMat Technician certification	40,000	-	-
3	Operational support Bon Jovi Concert	30,000	-	-
4	Ward Boundary review	19,200	-	-
		364,200	-	-

Ensuring Organizational Capacity & Effectiveness

This Strategic Priority ensures we have the right people and processes in place, that we are as effective and efficient as possible, and that we are continuously improving.

The City is continuing to adapt following a corporate restructuring and significant changes in senior management staff. In addition, the organization is undertaking process improvement in a number of areas, as well as improving its planning and performance measurement systems.

Labour market pressures have affected the City's ability to recruit a full staff complement, creating pressure on existing staff. The effort to establish strategic priorities will ensure that administration is focusing their efforts on the most important things.

The 2010 General Operating Budget includes additional funding on an ongoing basis related to Ensuring Organizational Capacity and Effectiveness, including:

			2010 Full Time Equivalent Positions	
	Description	**2010 Cost**	**Permanent**	**Casual**
1	Capital control financial analyst	95,000	1.0	-
2	Performance financial analyst	95,000	1.0	-
		190,000	2.0	-

The 2010 General Operating Budget includes the following funding on a one-time basis for 2010 related to Ensuring Organizational Capacity and Effectiveness:

			2010 Full Time	
	Description	**2010 Cost**	**Permanent**	**Casual**
1	Leadership Development program	100,000	-	-
2	Human Resources Consulting	26,000	-	-
		126,000	-	-

Municipal Revenues

Regina has seen a significant improvement toward stabilizing its revenue streams in 2010, with the establishment of the Municipal Operating Grant program from the Provincial government. This program was developed in consultation with both urban and rural municipalities, and reflects a more predictable and sustainable revenue stream that is linked to the economic growth of the Province. This program is based on municipalities receiving a grant equivalent to 1/5 of provincial PST revenues, and increasing or decreasing based on annual changes in this source of provincial revenue. Of the total municipal pool, cities receive a 46% share, which is at the low end of the negotiated range of between 46% and 50% of the pool of funding. Currently, Saskatchewan cities represent approximately 55% of the total provincial population and continue to see growth from provincial in-migration. In 2009, this program was calculated at 90% of one point of the 5% PST. The Provincial government was committed to grow to a full 100% in 2010. However the Provincial government has since announced that the 2010 funding level will remain the same as 2009.

Reliance on Property Taxes

While the change in provincial funding in 2009 represents a very positive step forward for the City of Regina and other Saskatchewan municipalities, a significant reliance on property taxes still limits the ability to deal with a growing community and address the ever-widening infrastructure gap. The provincial government's decision to not implement the additional funding for municipalities in 2010 puts additional pressure on municipal budgets.

> *"Whether one lives in a large metropolitan centre, a medium-sized city, a small town, or even the rural countryside, property taxes are often one of the hottest local issues of the day. On one side of the street stand residents and business owners who complain that property taxes are too high and the property tax burden is growing too rapidly. On the other side of the street stands the municipal administration responsible for delivering local services. They understand that property tax revenue does not always grow alongside the broader economy and incremental increases are sometimes required to cover the costs of inflation, accommodate a growing population, and simply maintain service levels never mind increasing overall revenue in real terms."*
>
> Problematic Property Tax, Canada West Foundation, November 2008

There has been a significant amount of research on different taxing options, and through this research and analysis one fact remains clear: Property taxes are an inelastic source of revenue that does not generally grow with the economy. In addition, this revenue source does little to capture the cost of providing services to those living outside the community who make use of City infrastructure and services. Cities are becoming more advanced in their approaches to governance and remain the most transparent and accessible form of government. With this in mind, Cities should be allowed to undertake taxing policy innovations that will assist in addressing these issues more directly; however, the legislative authority does not currently exist to allow for this innovation to take place. As Regina continues to grow, and replacement of ageing infrastructure continues to require a larger allocation of revenue, dialogue with the Provincial and Federal governments will continue to be required. It is important that all levels of government work together in addressing the needs of cities, as they continue to be the growth engines of both the provincial and federal economy.

Competitiveness of Regina's Municipal Taxes

Regina has made significant strides in increasing the competitiveness of its municipal tax bill for both residential and commercial properties.

Despite this progress, the City continues to face challenges with respect to perceptions about the level of property taxes in Regina as compared to other cities, as well as the relative share of education funding on the property tax base. Each year the City of Edmonton conducts a property tax survey. The survey compares the property taxes on a sample property, and also collects information on the total property and business taxes collected.

- **For municipal and other property taxes (excluding school taxes) for the sample home, Regina ranked 4th out of 21 cities.**

2009 Tax Level on Sample Home(1) – Total Municipal Tax Levy

City	Province	Total 2009 Tax Levy			
		Municipal	Other[4]	Total	Rank
Calgary	Alberta	989	0	989	1
Medicine Hat	Alberta	1,120	27	1,147	2
Winnipeg[6]	Manitoba	1,274	0	1,274	3
Regina	**Saskatchewan**	**1,178**	**131**	**1,309**	**4**
Red Deer	Alberta	1,315	0	1,315	5
Surrey	British Columbia	1,093	240	1,333	6
Edmonton[6]	Alberta	1,419	15	1,434	7
Saskatoon	Saskatchewan	1,348	154	1,502	8
Lethbridge	Alberta	1,524	30	1,554	9
Halifax[5]	Nova Scotia	1,468	169	1,637	10
Grande Prairie	Alberta	1,983	10	1,993	11
Burnaby[3]	British Columbia	1,719	346	2,065	12
Vancouver[3]	British Columbia	1,673	400	2,073	13
Toronto[6]	Ontario	2,080	0	2,080	14
Victoria	British Columbia	1,817	423	2,240	15
Laval	Quebec	2,275	0	2,275	16
Montreal	Quebec	2,394	0	2,394	17
Saint John	New Brunswick	2,462	0	2,462	18
London	Ontario	2,422	102	2,524	19
Fredericton	New Brunswick	2,583	0	2,583	20
St. John's	Newfoundland	2,640	0	2,640	21
Average				**1,849**	

Notes:

1. *The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.*
2. *Grant is $570 for school levy for homeowners with age 64 years or under and $845 for senior citizens or handicapped.*
3. *Based on the averaged value of single-family houses, which may not correspond to the sample house described above.*
4. *Other includes regional and other tax levies.*
5. *Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.*
6. *Based on the median value of single detached houses; which may not correspond to the sample house described above.*
7. *Grant is 15% of property taxes.*

- **For the total tax levy per capita, Regina is 10th out of 21 cities.** For this calculation, the total tax levy includes property, education and business tax. Several of the cities (St. John's, Edmonton, Calgary and Winnipeg) levy a business tax.

2009 Tax Level on Sample Home(1) – Total Tax Levy

		Total 2009 Tax Levy						
City	**Province**	**Municipal**	**School**	**Other(4)**	**Total**	**Grants /Credits**	**Net Property Tax**	**Rank**
Edmonton[5]	Alberta	1,419	790	15	2,224	0	2,224	7
Calgary	Alberta	989	884	0	1,873	0	1,873	3
Red Deer	Alberta	1,315	593	0	1,908	0	1,908	4
Medicine Hat	Alberta	1,120	611	27	1,758	0	1,758	2
Grande Prairie	Alberta	1,983	649	10	2,642	0	2,642	14
Lethbridge	Alberta	1,524	591	30	2,145	0	2,145	6
Burnaby[3]	British Columbia	1,719	1,235	346	3,300	570[2]	2,730	15
Surrey	British Columbia	1,093	908	240	2,241	570[2]	1,671	1
Vancouver[3]	British Columbia	1,673	1,236	400	3,309	570[2]	2,739	16
Victoria	British Columbia	1,817	924	423	3,164	570[2]	2,594	13
Regina	Saskatchewan	1,178	983	131	2,292	0	2,292	10
Saskatoon	Saskatchewan	1,348	1,366	154	2,868	0	2,868	17
Winnipeg[6]	Manitoba	1,274	1,284	0	2,558	650[5]	1,908	4
Montreal	Quebec	2,394	544	0	2,938	0	2,938	18
Laval	Quebec	2,275	802	0	3,077	0	3,077	21
Toronto[6]	Ontario	2,080	870	0	2,950	0	2,950	19
London	Ontario	2,422	491	102	3,015	0	3,015	20
Halifax[6]	Nova Scotia	1,468	635	169	2,272	0	2,272	9
Saint John	New Brunswick	2,462	0	0	2,462	0	2,462	11
Fredericton	New Brunswick	2,583	0	0	2,583	0	2,583	12
St. John's	Newfoundland	2,640	0	0	2,640	396[7]	2,244	8
Average		**1,751**	**733**		**2,582**		**2,423**	

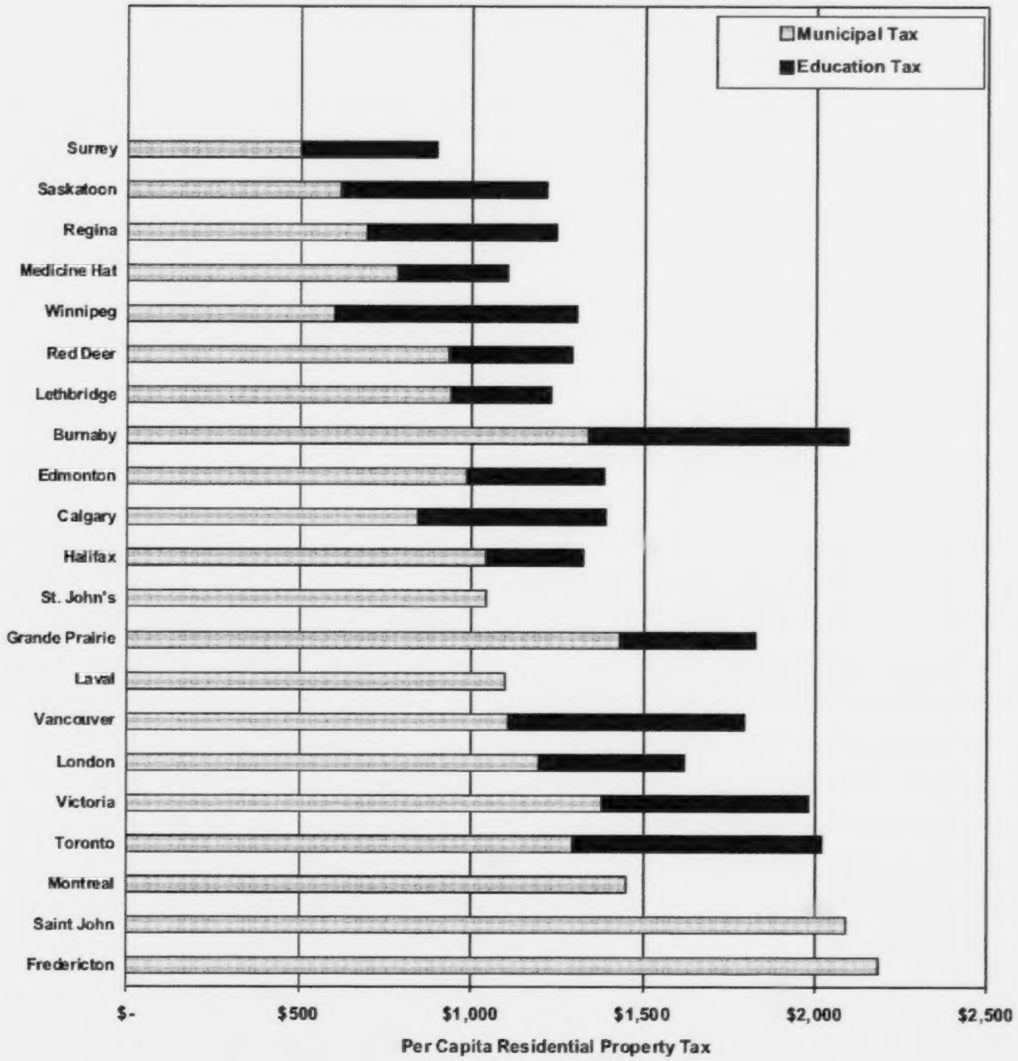
- **Regina's per capita taxes are lower than the average of the 21 cities for all per capita tax measurers other than education taxes per capita.**

Notes:

1. *The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.*
2. *Grant is $570 for school levy for homeowners with age 64 years or under and $845 for senior citizens or handicapped.*
3. *Based on the averaged value of single-family houses, which may not correspond to the sample house described above.*
4. *Other includes regional and other tax levies.*
5. *Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.*
6. *Based on the median value of single detached houses; which may not correspond to the sample house described above.*
7. *Grant is 15% of property taxes.*

The next graph provides information on the per capita residential property taxes (municipal and education) for the cities that participated in the 2009 City of Edmonton Tax Survey

Per Capita Residential Property Tax
(Data from 2009 City of Edmonton Tax Survey)

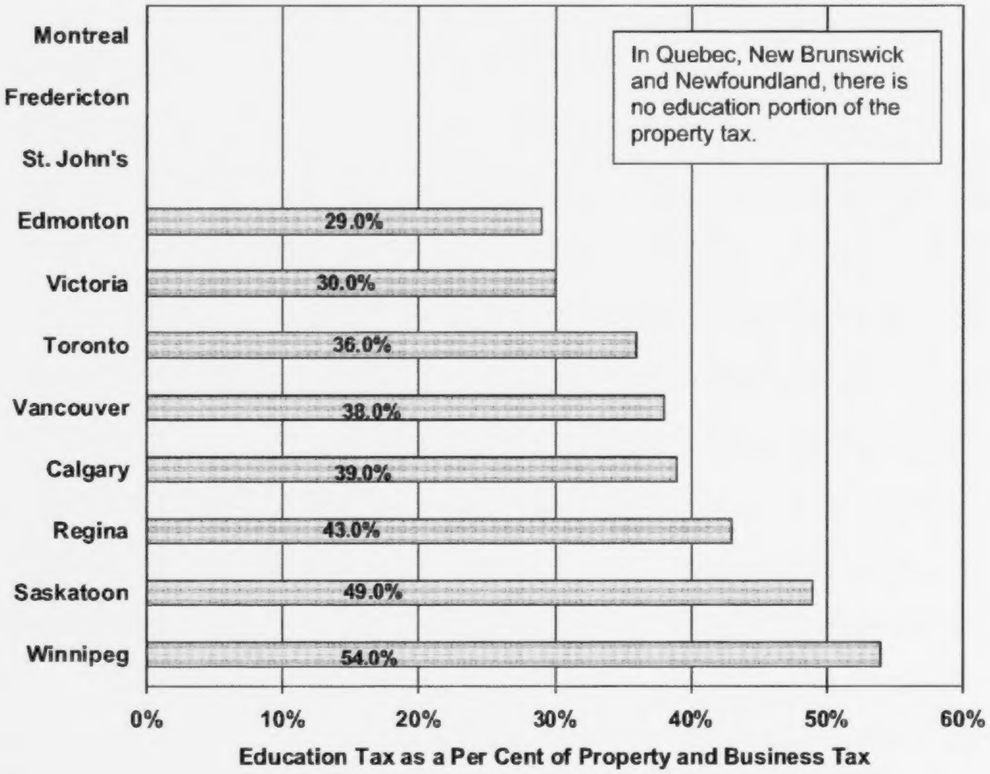


- **Regina's per capita taxes are lower than the average of the 21 cities for all per capita tax measures other than education taxes per capita.**

Historically, one challenge for the City has been the relatively high levels of education tax in Saskatchewan compared to other provinces, as well as the lack of understanding regarding the portion of the property tax bill levied by the City of Regina. **For education property taxes per capita, Regina ranked 16th out of 21 cities, with Saskatoon at 21st.**

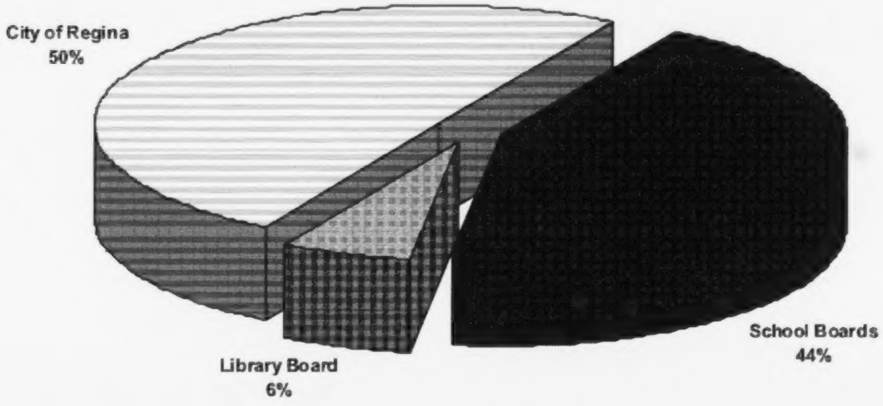
In 2009 the province announced a change in the way education is funded. There was some reduction of the education share of property taxes with the intention of further reductions. In Saskatchewan, the education share of property taxes in 2009 was still higher than other provinces, creating added pressure on property tax levels. The portion of local taxes (property tax and for some cities a business tax) used to fund education costs varies significantly from city to city. The following graph compares the percentage of the total property and business tax dedicated to education in various cities. The information is taken from the 2009 City of Edmonton Tax Survey. The changes in the Provincial education funding model and the commitment for further reductions should assist in improving this comparison in the future.

Education Share of Property and Business Taxes – 2009



The next graph shows the distribution of property taxes in Regina for 2009.

Distribution of Property Taxes – 2009



Electrical and Natural Gas Revenues

External revenues such as gas and electrical revenues account for about 13.7% of total revenues. The City has no control over these revenues as the Province also sets gas and electrical rates. These rates are the major determinant in the level of gas and electrical revenues received by the City. While recent rate increases have added to City revenues, the markets are extremely volatile, and rate increases increase the costs for residents and businesses in Regina. For 2010, electrical and natural gas revenues are projected to increase by about $800 thousand.

Licenses and Levies

Under the provisions of The Cities Act, the City is limited to charging license fees only to the extent that the fees cover costs. Recent license fee increases, such as those approved for business licenses in 2007 and animal control effective January 1, 2008 have been important in providing revenues to cover the costs of administering the license regime. But these revenues are not available to be used for other sources.

Similarly, certain service and user fees are limited only to the cost of providing those services.

Tax penalties have also decreased in recent years as the City has made strides in reducing tax arrears through improved collection processes. Arrears as a percentage of the total tax levy dropped from 2.6% in 2005 to 2.3% at the end of 2009.

Provincial and Federal Operating Grants

Operating grants from the Provincial and Federal Governments account for 8.8% of 2008 revenues. Efforts of organizations such as the Federation of Canadian Municipalities, the Conference Board of Canada and the Canada West Foundation have helped to inform and advance recognition of the need for strategic investment in cities so they can fulfil their potential as engines of sustainable national growth. Federal capital programs such as the gas tax funding are providing much needed assistance to the City in addressing infrastructure requirements.

This year, the Municipal Operating Grant will provide $25.9 million in funding for operating costs for the City of Regina. The 2010 grant was frozen to the 2009 funding level contrary to direction previously provided by the Provincial Government. Because property taxes do not generally grow with the economy, growth in this PST-based grant, would have provided significant help to our City to keep pace with our growing economy.

All municipalities in Saskatchewan received a share of this grant. As originally planned and communicated the total figure for money going to the municipalities was 90% of one point of the PST for 2009 growing to 100% of one point of the PST for 2010. When this formula was abandon for 2010, considerable changes were required both operationally and fiscally to ensure that service levels were maintained with alternative funding sources.

The City will receive $10.7 million from the Federal Government as a share of Gas Tax revenues.

Expenditure Challenges

Each year, City Council must consider the level of expenditures to fund programs and services, including the capital requirements related to those programs and services. Expenditure challenges include:

- **Growth in the Community**. While it is generally perceived that any increase in expense resulting from the physical growth of the city would be covered by additional tax revenues, that is not the case. There are required increases in the budgeted operating expenditures for areas such as waste collection and additional open space. But the most significant impact on the budget from growth is in the area of capital requirements for road network improvements.

- **Increases in salary and benefit costs.** The collective agreements for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and the International Association of Fire Fighters Local 181) expired at the end of 2009. Settlement on these contracts will be reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada.

- **Education and Training Costs.** The City has experienced significant turnover for the past three years in all areas and levels of the organization. This equates to additional training and development requirements to ensure staff are able to perform required duties of their new position. To align with the Corporate Strategic Plan, the City has developed a Corporate Customer Service Strategy and training designed for all employees.

- **Increases in the price of fuel, asphalt, electricity and construction and engineering services** have exceeded the general inflation rate.

- There are also cost pressures as a result of **changing community interests, regulatory requirements, standards and expectations.**

- **Many local arts, cultural, sporting, community and charitable organizations are faced with fiscal pressures.** There has been an increase in the number of organizations seeking support through tax exemptions or capital or operating grants.

- **There continues to be a significant "infrastructure gap".** As outlined in the 2010 – 2014 General Capital Investment Program document, the City has identified a significant funding shortfall in its infrastructure requirements over the next ten years. Continuing delays in addressing the infrastructure gap will cause that gap to continue to grow.

- **The City has significant unfunded liabilities for vested sick leave, accumulated vacation credits, service pay and banked overtime**. At the end of 2009, the liabilities for these costs were estimated at $29 million ($27 million at the end of 2008). As a growing proportion of the City's workforce reaches retirement age, the cash flows required to pay off this liability will grow. Demographic trends indicate there will be a significant cash flow impact over the next few years. Divisions are required to absorb these costs in their existing budgets.

- **The City has significant unfunded liabilities for pension and benefit plans**. The City is not required pursuant to accounting standards to account for a liability with respect to multiple employer pension and benefit plans such as the Civic Pension Plan and the Long Term Disability Plan, however, the liability is significant. The employers'contribution is increasing in 2010 to meet existing liabilities following a significant drop in financial markets in 2008. These rates remain relatively high and contribute to pressures both in terms of contribution costs and in the recruitment and retention of employees.

- **Overall, the community supports the level of most City services and has a high rating for the services provided.** ***(2009 citizen satisfaction survey)*** **Regardless of these ratings, there are two realities the City faces:**

  - On those occasions when the City considers the elimination or a reduction in an existing service level, there is typically a segment of the community opposed to the change.

  - Some in the community are of the view that expenditures can be reduced. However, most individuals or groups are not willing to reduce expenditures on the services they use. All those in the community do not use every service provided by the City, but all services are used by a segment of the community.

Budget Options

Faced with a gap in revenues and expenditures, there are limited long-term options for City Council. These include:

- **Increase the revenue generated.** The increase can be for existing revenue sources, external contributions from senior governments or other sources, or through the authority for new alternative sources of revenue.

- **Decrease expenditures** through one or more of the following approaches:

  - Eliminate a service or reduce the level of service provided.
  - Reduce the cost of providing the service, either through reducing the costs of wages, goods and services to deliver the service, or through considering alternative service delivery, including contracting with external parties to provide the service.
  - Reduce the current contribution to capital, using debt for capital projects with long-term benefits so that the benefit and cost is shared over the long term.

Over the past number of years, the City of Regina, along with the other cities in the province, has requested authority for alternative revenue sources. Potential new revenue sources are a local fuel tax, a local vehicle registration surcharge, a share land transfer tax, a hotel tax and a local sales tax. Cities in other provinces have pursued new revenue sources. Implementation of such authority would require legislative change.

City Council has limited choices, other than through an increase in the mill rate to generate additional revenue. For many revenue sources, City Council has no control over the revenue generated.

City Council does have a choice to reduce expenditures. There are, however, certain realities to consider:

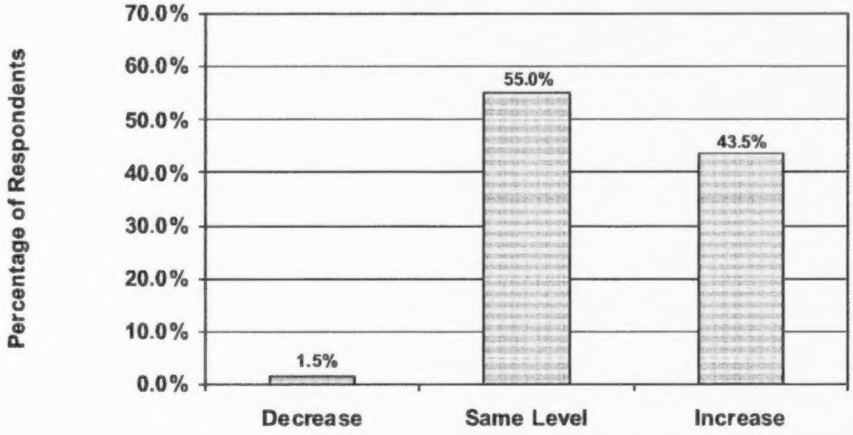
- A reduction in expenditures will result in either a reduction in direct services to the public, or a reduction in activities that support the provision of services to the public.
- A reduction in expenditures will in most instances lead to a reduction in staff. Salaries and benefits are the largest portion of the operating and capital budgets.

If there are significant expenditure reductions to be made, it will take time (and some cost) to implement the reductions. There is likely a period of 6 to 12 months before the full benefit of expenditure reductions would be achieved.

- The Core Services Review has identified $6.7 million in savings since 2005. While the review's recommendations continue to be implemented on an ongoing basis, the opportunity for significant savings on a short term basis is reduced.

The City of Regina's 2007 Omnibus Survey indicated that generally, Regina residents appear content with the level of services provided to them, with the majority (55%) suggesting the status quo for service level. However, 43.5% of respondents would support increased services, an increase of almost 10% over the past two years. Only 1.5% would favour a decrease in services, and only seven respondents suggested a specific service to be dropped.

Do you think the City should increase services, decrease services, or keep them at the same level?
(2009 citizen satisfaction survey)



Budget Risks

It is important that budget choices are sustainable. From a fiscal perspective, the key consideration for City Council is the extent that the budgets are funding ongoing expenditures with ongoing revenues, and matching one-time or limited term expenditures with one-time revenues or funding sources. To the extent that budgets do not fully fund planned expenditures, or ongoing expenditures are being funded with one-time revenues, Council is shifting the budget burden to future years.

There are budget risks for 2010. These include:

- Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2010 due to these factors.
- There is some risk that assessment appeals will reduce actual tax revenue during 2010.
- Inflationary pressures from the Western Canadian construction market may undermine the spending power in the budget.
- The City has significant unfunded liabilities for sick leave and vacation which are payable upon termination of an employee. These amounts are not budgeted for and are typically covered through savings from staffing vacancies.

Financial Policies and Performance Measures

Municipal governments do not exist to make a profit but to provide services to citizens. However, budgets should be evaluated to a certain extent with regard to the impact they have on the government's financial condition.

Specific financial performance measures for governments have not yet been fully developed. However, the Public Sector Accounting Board has begun to develop guidelines that citizens can use to evaluate their government's financial position. The following information reflects the Statement of Recommended Practices.

For governments, financial condition can be evaluted based on three factors:

Sustainability

> Sustainability is the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the relative debt or **tax burden** on the economy within which it operates.

Measures of sustainability include ratios such as:

- assets to liabilities
- financial assets-to-liabilities
- net debt to total annual revenue

Municipalities typically address strategies regarding sustainability through debt policy, including maximum ratios for debt servicing costs as a percentage of operating revenues and per capita debt levels.

Flexibility

> Flexibility is the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

Measures of flexibility include the following ratios such as:

- Debt charges-to-revenues
- Net book value of capital assets-to-cost of capital assets
- Own source revenues to taxable assessment

General-purpose reserves – that is, those not linked to specific future needs – are the primary tool that municipalities use to be prepared for unforeseen circumstances and to take advantage of opportunities.

Vulnerability

> Vulnerability is the degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

One measure of vulnerability is the ratio of revenues from other orders of government to a City's own-source revenues. Others would take into consideration significant operating revenues from single sources, such as one taxpayer that makes up a significant portion of a municipality's revenues.

A strategy to reduce vulnerability would be the diversification of revenue sources. While municipalities can do this to a certain extent by attempting to draw diverse businesses, the current limitations on alternative sources of revenue reduce the viability of such a strategy and have the impact of increasing the dependency on revenues from other orders of government and property taxes.

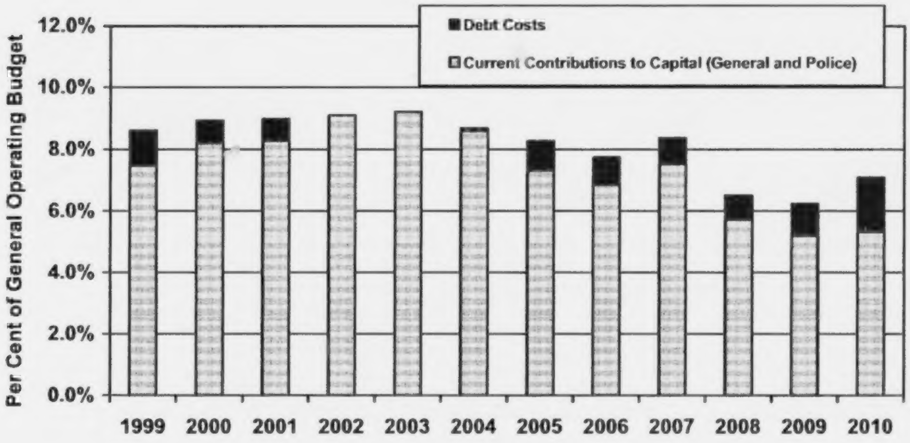
Long Term Financial Planning

During 2010, the Administration will continue to develop, for consideration by City Council, future financial plans which will assist in identifying specific areas of concern, best practices, and recommended policies, particularly those relating to the financial performance measures described above. Although work on all aspects of these plans are not yet complete, there are three areas for which some analysis is available:

Capital Requirements

The following graph shows the annual contribution to capital from the operating budget since 1999. It is clear that the challenge of providing capital from operating revenues has been difficult and will continue to be difficult.

Capital Funding From Current Operations – 1999 to 2010
(Per Cent of General Operating Budget)

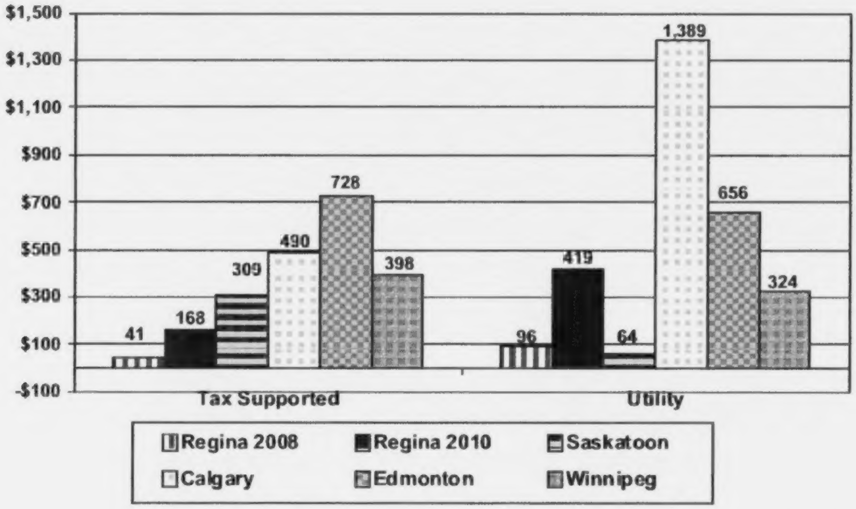


Debt Levels

Low debt levels provide flexibility and reduce vulnerability for a municipality. However, a municipality limited to strictly pay as you go financing for capital projects will be challenged to maintain sustainability, as it is difficult to raise sufficient funds in advance of requirements for infrastructure. The use of debt, like a mortgage, can allow a municipality to spread out the cost of capital investments over the period of benefit. Regina has relatively low levels of debt compared to other cities. With relatively low interest rates, more municipalities are increasing the use of debt as a method of financing infrastructure requirements.

The following graph shows Regina's projected debt levels with $5 million in new borrowing projected for 2010.

Regina's Debt Levels – Comparisons to Other Cities
(per capita – Regina projected 2010 – other cities 2008)



Reserve Levels

The City does not have extensive reserves. Although the 2009 ending balance in the General Fund Reserve was $32.5 million (including land sales) as a result of a number of one-time inflows, the City's overall level of reserves is relatively low compared to other Western Canadian cities.

The next table is a summary of the City's reserve balances for the last five years.

Reserve Balances ($000's)

	2005	2006	2007	2008	2009
General Reserves:					
General Fund Reserve[1]	10,414	19,216	25,753	25,644	32,523
General Utility Reserve	5,118	7,020	13,870	8,556	22,477
Subtotal	15,532	26,236	39,623	34,200	55,000
Specific Purpose Reserves:					
Landfill Reserve	9,300	10,415	12,798	15,087	18,198
Equipment Replacement Reserve	1,353	371	358	171	138
Winter Road Maintenance Reserve	1,427	1,714	2,829	3,426	3,426
Social Development Reserve	948	679	499	1,999	1,679
Asset Revitalization Reserve	-	-	-	1,150	2,239
Other Reserves	2,448	2,646	4,367	5,649	7,396
Subtotal	15,476	15,825	20,851	27,482	33,075
Reserve Totals	31,008	42,061	60,474	61,682	88,075

Note:

1. *Includes funds of $6.7 million that may be allocated to the proposed Land Reserve.*

Growth in certain reserves, such as the Utility and Landfill reserves in the past three years, reflects the planned approach to providing for future capital requirements. The 2010 – 2013 General Capital budget reflects significant capital funding to be provided from reserves to fund required infrastructure investment. As well, there is a requirement for significant funding from the General Fund Reserve for Land Development, as shown in the 2010 – 2014 General Capital Budget.

Conclusion

The 2010 General Operating Budget provides the funding for significant progress towards achieving City Council's Vision:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

It has been developed with a focus on the strategic priorities identified in the Corporate Strategic Plan – Accelerating Excellence:

- Managing Growth and Community Development
- Strengthening City Infrastructure and Managing Assets
- Achieving Operational Excellence
- Ensuring Organizational Capacity and Effectiveness

Regina is in the midst of an exciting period of growth and the 2010 budget begins to address the needs of a growing city, while continuing to prioritize the City's long-term needs based on its fiscal capacity. Building the proposed budget, the City of Regina took into account:

- Regina continues to experience growth – and responsible growth requires investment;
- The cost of many supplies continues to increase above the rate of inflation;
- No increase in Provincial funding is anticipated in 2010; and
- Citizens hold us accountable for making progress toward a brighter future, captured in our vision, while making efficient use of resources.

To continue to deliver programs and services through this growth period, while making progress on our vision, the City of Regina is implementing a 4.0% increase in the mill rate and issue of $5 million in debt for 2010.

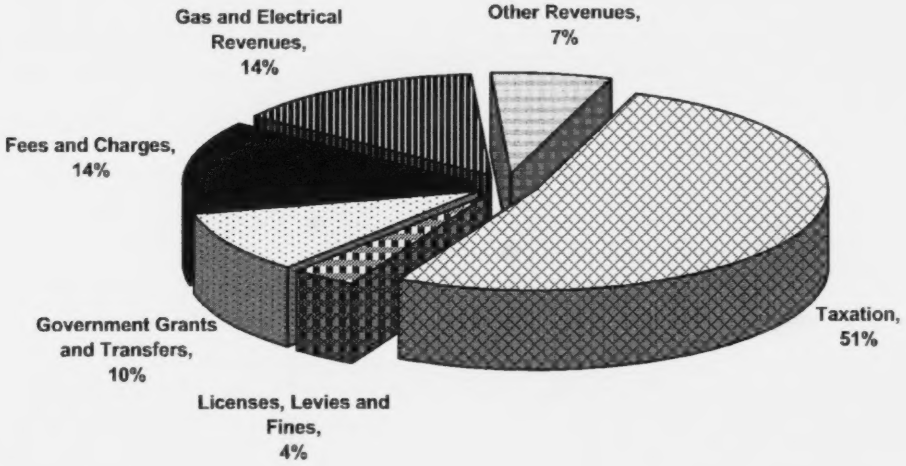
General Operating Revenues

General Operating Revenues

Operating Revenue Summary ($000's)

Revenue Category	2009 Budget	2009 Actual	2010 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Taxation	129,413.6	133,517.4	**140,331.8**	10,918.2	8.4
Government Grants and Transfers	27,650.5	27,879.6	**27,486.8**	(163.7)	(0.6)
Licenses, Levies and Fines	9,338.5	9,716.3	**9,576.4**	237.9	2.5
Fees and Charges	33,643.2	38,879.4	**36,458.2**	2,815.0	8.4
Other Revenue	55,998.3	54,263.9	**55,088.7**	(909.6)	(1.6)
Total	256,044.1	264,256.6	**268,941.9**	12,897.8	5.0

2010 Operating Revenues



Highlights with respect to the 2010 revenue budget are:

- **The mill rate increase for 2010 is 4.0%.**
- **The 2010 Budget has been prepared including the Municipal Operating Grant Pool (former Revenue Sharing Grant) of $25.9 million, the same level of funding provided in the 2009/10 Provincial Budget.**

- **The transfer from the General Fund Reserve to the Operating Budget is $2,516,200**. The 2010 transfer includes:
  - $100,000 for the Junior World Hockey Tournament,
  - $190,000 for the Men's World Curling Championships.
  - $2,226,200 to fund 2010 one-time expenditures which will be transferred from the 2009 surplus.

- **The utility surplus transfer for 2010 is $5,873,900, an increase of $437,600 over 2009**. The budget retains a transfer of $675,000 from the Water and Sewer Utility related to the additional GST rebate implemented by the Federal Government in 2005.

- **Gas and electrical revenues are projected to increase by $800 thousand.** The natural gas market is extremely volatile so significant variances may occur.

The following table is a detailed list of 2010 revenue sources for the General Operating Budget. The table outlines the amount of revenue, along with an analysis of the factors that determine the revenue generated from those sources. For some revenue sources City Council controls one or more of the factors that determine the revenue generated, although there may be some restrictions in legislation or regulations. For some revenue sources (gas revenues, electrical revenues, interest earnings and government grants), City Council has no control over the revenue generated.

General Operating Revenues

Revenue Source	Factors Determining the Amount of Revenue	Does the City Control?	2010 Budget	Per Cent of Total	Cumulative Percentage
Property Taxes (including supplementary taxes)	Assessment Growth Mill Rates	No **Yes**	$ 129,200,600	48.0%	48.0%
Electrical Revenues	Formula for Transfers Electrical Rates Consumption	No No No	28,261,500	10.5%	58.5%
Government Grants and Transfers (includes Police & Lotteries)	Government Policy	No	27,486,800	10.2%	68.8%
Gas Revenues	Payment In Lieu Rate Natural Gas Rates Consumption	No No No	8,655,000	3.2%	72.0%
Grants-In-Lieu of Property Taxes	Assessment Growth Mill Rates Government Policy	No **Yes** No	9,196,200	3.4%	75.4%
Community and Leisure User Fees	Amount of Fee Amount of Use	**Yes** No	8,285,700	3.1%	78.5%
Waste Collection and Disposal Fees	Amount of Fee Amount of Use	**Yes** No	5,902,100	2.2%	80.7%
Transit and Paratransit User Fees	Amount of Fee Amount of Use	**Yes** No	6,883,000	2.6%	83.2%
Utility Surplus Transfer	Transfer Rate Calculation Base	**Yes** **Yes**	5,873,900	2.2%	85.4%
Interest Earnings	Interest Rates Cash Balances	No No	5,066,100	1.9%	87.3%

General Operating Revenues					
Revenue Source	**Factors Determining the Amount of Revenue**	**Does the City Control?**	**2010 Budget**	**Per Cent of Total**	**Cumulative Percentage**
Fines	Fine Amount Number of Infractions Level of Enforcement	**Yes** No **Yes**	4,725,000	1.8%	89.1%
Recovery of Administrative Costs (Utility, Pension Plans & BPWAB)	City Council Policy	**Yes**	3,622,500	1.3%	90.4%
Paved and Gravel Alley Special Tax	Levy Rates Alley Lengths	**Yes** No	3,072,500	1.1%	91.6%
Other Revenue or Fees	Amount of Fee Amount of Use	**Yes** No	11,398,700	4.2%	95.8%
Transfers From Reserves	Council Policy Availability of Reserves	**Yes** No	2,559,700	1.0%	96.7%
Recovery From Other Taxing Authorities (net of cancellations)	Transfer Rate Calculation Base	**No** **No**	1,935,000	0.7%	97.5%
Parking Meter and Permit Fees	Amount of Fee Number of Meters Amount of Use	**Yes** **Yes** No	1,400,000	0.5%	98.0%
Penalties on Taxes	Penalty Rates Outstanding Taxes	**Yes** No	975,000	0.4%	98.3%
Building Permit & Inspection Fees	Amount of Fee Number & Value of Permits	**Yes** No	1,406,100	0.5%	98.9%
Cemetery Fees	Amount of Fee Amount of Use	**Yes** No	829,400	0.3%	99.2%
Business and Taxi Licenses	License Fee Number of Licenses	**Yes** No	740,000	0.3%	99.5%
Amusement Tax	Tax Rate Ticket Prices Number of Tickets Sold	**Yes** No No	600,000	0.2%	99.7%
Planning and Development Fees	Amount of Fee Number of Applications	**Yes** No	467,100	0.2%	99.9%
Animal Control and Impoundment	Amount of Fee Number of Applications	**Yes** No	400,000	0.1%	100.0%
2010 General Operating Revenue			268,941,900	100.0%	

Each budget process involves choices with respect to costs (services provided, service costs and the method of service delivery), and the revenues available to fund the costs. Revenue choices include:

1. **Seek additional funding from the senior governments, or seek authority for new sources of revenue.** There are limits to the authority of City Council with respect to revenue options. The taxation authority for the City is limited to that provided in *The Cities Act*. The City's authority for taxes is essentially property tax, amusement tax and special taxes.

   There has been considerable discussion about cities obtaining a share of the fuel tax or other vehicle related revenues such as a vehicle surcharge. The Federal Government now provides municipalities 1.5 cents per litre of the Federal fuel tax starting in 2005, increasing to 5 cents per litre in 2009. Alberta, Calgary and Edmonton each receive 5 cents per litre for every litre of gasoline sold in the city.

City Council could seek additional grant funding from senior government. During 2009, the Provincial Government developed the Municipal Operating Grant (MOG) that replaced the Revenue Sharing Grant. MOG was designed to base municipal funding on the two year trailing Provincial Sales Tax (PST) revenues booked by the Province. For 2009, the funding formula for MOG to be allocated to municipalities was 90% of 1% of PST. A commitment was provided by the Provincial Government in 2009 that the funding formula for 2010 MOG would be changed to 100% of 1% of PST. Municipalities have recently been informed that the funding formula increase is on hold and 2010 MOG funding will be frozen to 2009 levels. This change has created uncertainty for Municipalities in developing service delivery plans.

2. **Increase the mill rate.** The mill rate is the primary determinant for property tax revenue and grants or payments in lieu of property tax. The revenue from property tax does not increase in the same way that Federal and/or Provincial Government taxes increase. Taking the PST as an example, the revenue from PST is influenced by three factors:

   - Tax rate (currently 5% in Saskatchewan);

   - Growth in the tax base resulting from more goods and services being sold – essentially growth through an increase in the "volume" or the tax base; and,

   - Growth in the tax base as the cost of goods and services increases – essentially growth in the tax base through increases in "value or price".

   For property taxes, while the assessment base has growth each year due to the construction or renovation of buildings that generates new property taxes, there is no increase in property taxes from growth in the assessed value of properties based on market appreciation.

3. **New or increased user fees and charges, fines and license fees.** Significant rate decisions made in recent years that are reflected in the 2010 budget projections include:

   - A fee schedule (Bylaw 2007-54) for community and leisure services for the 2008 - 2010 period.

   - Increased landfill rates (Report CM07-157) for 2008 to 2011.

4. **Pursue alternative revenue options provided for in *The Cities Act* that are not currently used by the City of Regina.** Revenue options include:

   - The definition of a public utility [Section 2(cc)] includes waste management and street lighting services. During the 2002 budget process, the Executive Committee (Report EX02-15) considered the concept of a Waste Management Utility. The decision was made not to proceed with a utility. If a utility was implemented for waste management or street lighting, the cost of the services could be funded through a special charge rather than through general revenues.

     There are a number of municipalities that pay for waste collection and disposal through specific fees. The fee structures are typically either a flat fee irrespective of the amount of waste disposed, or use of a system such as the "tag a bag" system. The "tag a bag" concept could not be implemented in Regina for those portions of the city served by rear lane collection.

   - Section 8(3) of The Cities Act provides the authority for fees for licenses, inspections, permits or approvals. Section 8(4) of the legislation limits the license fees to the cost to the City for administering and regulating the activity and collecting the fees. While the City has many fees and charges, there may be opportunity for additional fees and charges. The total revenue increase available through new fees is likely minimal.

- Section 264 of The Cities Act allows the establishment of service fees in connection with any service provided by the City. The difficulty with the legislation is that to enforce collection of the fee, the only option is to discontinue the service. For some services, discontinuance may be an option, but for many services this is not an option.

- Section 275 of The Cities Act authorizes a council to pass a special tax bylaw to raise revenue to pay for any specific service or purpose to be completed within the current year. The special tax could apply to the entire city or a portion of the city. The tax rate can be applied based on the property assessment, the frontage of a property, the area of a property or to each parcel of property. The only special tax currently levied by the City is for costs related to the reconstruction and maintenance of alleys and lanes.

- Section 279 of The Cities Act authorizes an amusement tax. While the City currently has an amusement tax, the City has chosen to limit the tax to those attending a commercial movie theatre. The tax base could be expanded to other forms of entertainment where an entrance fee or admission is charged.

If new taxes or fees are implemented, there will be increased administrative costs. The cost may be modest if existing billing and collection processes can be used. If not, the administrative cost of a new fee or tax could be substantial.

Taxation

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Municipal Property Tax	118,208.6	122,114.6	**128,300.6**	10,092.0	8.5
Payments and Grants in Lieu of Tax	8,725.0	8,403.9	**9,196.2**	471.2	5.4
Total Property Tax	126,933.6	130,518.5	**137,496.8**	10,563.2	8.3
Supplementary Property Tax	800.0	926.9	**900.0**	100.0	12.5
Recovery from Other Taxing Authorities	2,080.0	2,139.2	**2,135.0**	55.0	2.6
Tax Cancellations	(400.0)	(67.2)	**(200.0)**	200.0	(50.0)
Total	129,413.6	133,517.4	**140,331.8**	10,918.2	8.4

The 2010 budget for property taxes and grants in lieu of property taxes is about $140.3 million, an increase of about $10.5 million over the 2009 budget. This amount consists of the following: increase in the municipal mill rate, $5.2 million; reduction in appeal risk, $1.3 million; change in policy related to budgeting for appeal risk, $1.3 million; increase in tax revenue from growth, $2.7 million.

The key assumptions or factors that impact the budget are:

The increase in the municipal mill rate for 2010 is 4.0%. The mill rate for 2009 was 13.442, compared to 13.9797 for 2010. With the mill rate increase, tax revenues will increase by about $5.2 million.

In previous years the property tax revenue shown in this document reflected a reduction of the budgeted levy amount by the projected appeal risk. In 2009 the revenues were reduced by 2.6 million to fund appeal risk. For 2010 there is no provision to fund appeal risk in the 2010 General Operating Budget therefore the 2010 property tax projection is not adjusted for potential appeal risk.

The 2010 preliminary tax assessment roll is $9,846,261,400. The assessment roll was reviewed for potential risk due to corrections and assessment appeals using preliminary information obtained from appeals filed for 2010. The volume of appeals for 2010 is lower than prior years. Based upon the review of appeals received, there is a risk of reduction in the assessment of about $82 million. This would be equivalent to a reduction in tax revenues of about $1.3 million. If the reduction in tax revenues due to assessment appeals causes a deficit in the 2010 fiscal year, then that deficit must be eliminated by a transfer from the General Fund Reserve to the General Operations Fund.

The following table details the property tax and grants in lieu of tax revenue (budget and actual) for the last five years. The property tax revenue includes supplementary taxes.

Tax Revenue ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Property Tax:					
Budget	102,907.2	105,597.0	110,842.7	116,859.0	118,208.6
Actual	101,981.2	105,714.5	112,031.8	118,120.8	122,114.6
Variance	(926.0)	117.5	1,189.1	1,260.9	3,906.0
Grants In Lieu of Property Tax:					
Budget	7,739.4	7,467.2	7,936.9	8,162.3	8,725.0
Actual	7,574.2	7,550.1	7,894.8	8,147.4	8,403.9
Variance	(165.2)	82.9	(42.1)	(14.9)	(321.1)

As a result of assessment appeal decisions within the year and allowances for outstanding assessment appeals at the end of each year, there has been significant volatility in actual tax revenue as compared to budgeted revenues. **In one of the last five years, actual tax revenues have been less than the budget.**

Mill Rates and Mill Rate Factors

Mill rates and mill rate factors serve different purposes. The mill rate, applied to the taxable assessment (including the assessment of grant in lieu properties), determines the total tax generated. Mill rate factors determine the distribution of the taxes between groups of properties. The following table is the history of mill rates, including the mill rates for the Schools and Library, over the last ten years. There have been reassessments in 1997, 2001, 2005 and 2009. Whenever a reassessment occurs, the mill rate is recalculated such that there is no change in the total taxes levied as a result of the reassessment. The annual per cent change for 2001, 2005 and 2009 in the following table is based on the mill rate for the year in comparison to the restated mill rate for the prior year.

Mill Rate History

	Municipal		**Schools**		**Library**		**Total**	
Year	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**
2000	18.176	1.33%	20.391	1.00%	1.935	1.00%	40.502	1.15%
2001	17.6549	-	19.5294	-	1.8795	-	39.0638	-
2002	18.4194	4.33%	19.7247	1.00%	1.9077	1.50%	40.052	2.53%
2003	18.6212	1.10%	19.7247	-	1.9745	3.50%	40.320	0.67%
2004	18.6212	-	19.7427	-	1.9745	-	40.338	-
2005	17.6987	4.00%	18.0264	-	1.8045	3.00%	37.5296	1.99%
2006	17.6987	-	18.5528	2.92%	1.9320	2.92%	38.1835	1.74%
2007	18.3907	3.91%	19.0166	2.44%	2.0267	4.90%	39.4340	3.17%
2008	18.9130	2.84%	19.7393	3.80%	2.1059	3.91%	40.7582	3.36%
2009	13.4420	-	*See Note 1*	-	1.4967	-	n/a	n/a
2010	13.9797	4.00%	*See Note 1*	-	1.5401	2.90%	n/a	n/a
Average Increase - 2000 to 2010		**1.96%**				**2.15%**		

Note:

1. *The Provincial Government has announced changes to the way education costs are funded by the province and to the way that education property taxes are calculated in 2009.*
    - *The province now sets province wide mill rates to calculate the education tax for properties.*
    - *The province has changed the level of direct funding for school boards.*
    - *The Province wide mill rates for 2010 are: Agricultural at 7.08, Residential (including Condominiums and Multi-family) at 10.08, Commercial and Industrial (tiered rates) – Assessment up to 499,999 at 12.25, Assessment of 500,000 to 5,999,999 at 15.75 and Assessment of over 6,000,000 at 18.55.*

Mill rate factors can be established by City Council for each property class or subclass. The factors change the distribution of the total tax levied but do not increase or decrease the total tax collected. The following table shows the mill rate factors since 2006.

Mill Rate Factors

Property Class/Subclass	2006	2007	2008	2009	2010
Residential (including condominiums)	0.84113	0.84803	0.85494	0.89783	0.90059
Multiple Family Residential	1.19420	1.11284	1.03147	0.93390	0.90059
Commercial and Industrial	1.34557	1.34557	1.34557	1.22945	1.22945
Exterior Hotels	n/a	n/a	n/a	n/a	n/a
Golf Courses	0.94826	0.94826	0.94826	0.92187	0.92187
Agriculture	1.34557	1.34557	1.34557	1.22945	1.22945

The Province announced that for 2009 there are changes to the funding of education and changes to the way property tax is calculated for the education levy. Province wide education levy mill rates are now set by property class with mill rate factors no longer applied to calculate the education portion of property taxes. Mill rate factors can still be applied to calculate the municipal and library property tax levies. The following table shows the 2010 education mill rates as set by the Province.

Property Class	2010
Residential (including condominiums)	N/A
Multiple Family Residential	N/A
Agriculture	N/A
Commercial and Industrial (Taxable Assessment less than 499,999)	N/A
Commercial and Industrial (Taxable Assessment is 500,000 to 5,999,000)	N/A
Commercial and Industrial (Taxable Assessment is greater than 6,000,000)	N/A

The Province wide mill rates for 2010 are not known at this time. They will be announced with the Provincial Budget on March 24, 2010

In 2004, City Council directed that a Tax Policy be implemented to bring all residential taxes to a single rate over a five-year period beginning in 2006. Prior to 2005, the relative tax rate for Multiple-Family residential versus Other Residential property was 1.44, or about 30% higher. As 2010 is the fifth year of this phase-in to a single rate, the tax rates are now equal. With the change to the education tax calculation in 2009 this policy now only impacts the municipal and library levies.

Property Assessment

Taxable assessment for a property is the fair value assessment determined in accordance with legislation and the Saskatchewan Assessment Manual multiplied by the provincial percentage set by the Province. For 2010, the provincial percentages are:

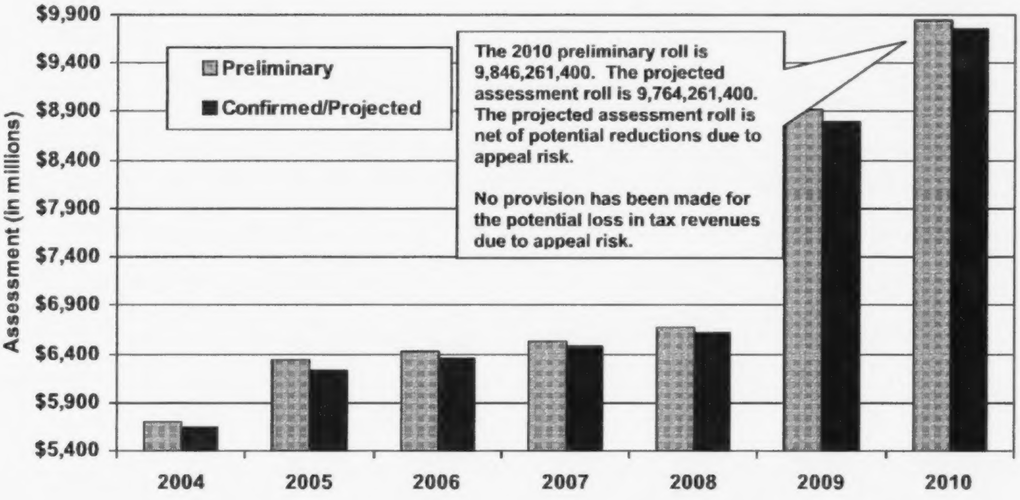
- 70% for all residential property, including condominiums and multi-unit residential property.
- 40% for non-arable land and 55% for other agricultural property.
- 75% for elevators, rail right of ways and pipelines; and,
- 100% for all other commercial and industrial property.

Each year an assessment roll is prepared. Every four years there is a province wide reassessment that updates assessments to a new base year. 2009 was a revaluation year that reflects a base date of June 30, 2006. Within 30 days from the "opening" of the assessment roll, property owners have the right to file an assessment appeal. The first step of the assessment appeal process is an appeal to the Board of Revision.

If any party to the assessment appeal is of the view that the Board of Revision erred in their decision, the party can appeal to the Saskatchewan Municipal Board Assessment Appeal Committee (SMBAAC). Once the SMBAAC renders a decision, parties to an appeal have the right to seek leave to appeal to the Court of Appeal with respect to a question of law.

Each year, there are changes to the assessment roll. This includes changes due to assessment appeal decisions of the Board of Revision and/or SMBAAC; additions to the assessment roll resulting from new construction or major renovations of property, the subdivision of property and zoning changes; and, deletions to the assessment roll, typically resulting from demolitions of property.

The total taxable assessment (including the assessment of grant in lieu properties) has been subject to significant change and uncertainty due to assessment appeals. The following graph highlights the variability between the preliminary assessment roll and confirmed assessment roll totals since 2004.



The 2010 preliminary roll is 9,846,261,400. The projected assessment roll is 9,764,261,400. The projected assessment roll is net of potential reductions due to appeal risk.

No provision has been made for the potential loss in tax revenues due to appeal risk.

Property Assessment (Taxable and Grant-in-lieu)

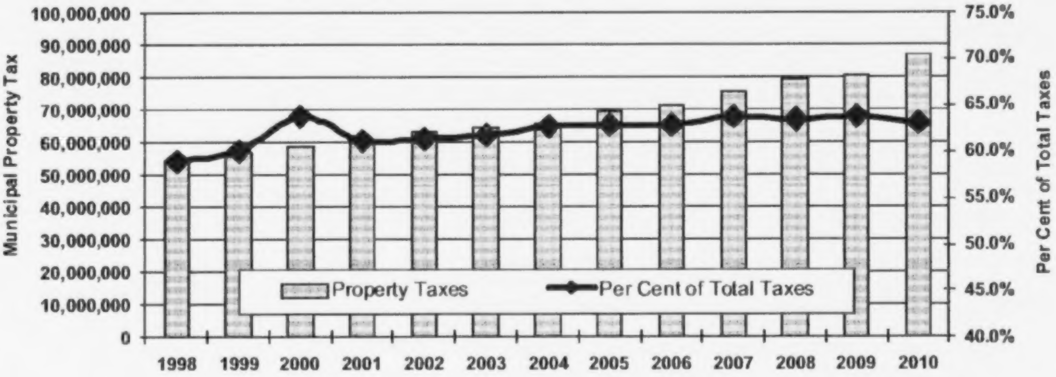
Note:
Assessments for 2002 – 2004 are valued with a base year of 1998. The 2005 – 2008 assessments are valued with a base year of 2002. The 2009 assessment is valued with a base year of 2006.

Often in recent years, due to the impact of assessment appeals and other assessment changes, the confirmed assessment roll is less than the preliminary assessment roll. The contingent liability for assessment appeals outstanding at December 31, 2009 is about $467,600. The risk is with respect to appeals for the years 2007, 2008 and 2009.

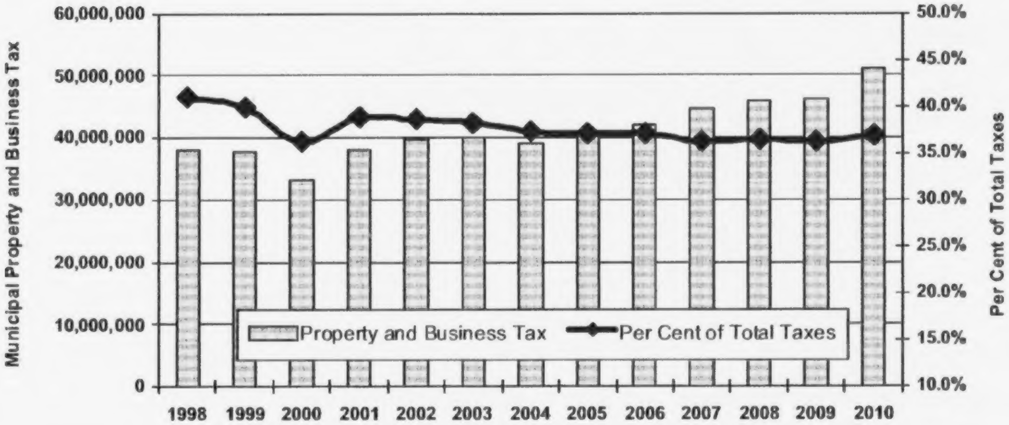
Tax Distribution

The next two graphs provide information on the changes in the distribution of taxes in Regina since 1997. The taxes are based on the confirmed assessment roll each year, net of phase-in adjustments and do not reflect allowances established at the end of the year for appeals, nor subsequent appeal decisions. The taxes for 2010 are based on the projected assessment. The graphs show the total taxes and percentage of total taxes since 1998.

Municipal Property Tax – Residential Properties



Municipal Property Tax – Commercial, Industrial and Other Properties



This graph includes grants-in-lieu of government and crown-owned properties. The trend has been a decrease in the proportion of total municipal taxes paid by commercial, industrial and other properties.

Government Grants and Transfers

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Municipal Operating Grant	25,896.9	25,896.8	**25,896.9**	-	-
Paratransit Grant	919.1	1,062.9	**1,002.9**	83.8	9.1
Other Grants:					
Mosquito Control Grant	277.5	288.3	-	(277.5)	(100.0)
Dutch Elm Disease Grant	20.0	25.0	-	(20.0)	(100.0)
Discount Transit Pass Grant	500.0	544.3	**510.0**	10.0	2.0
Urban Aboriginal Leadership Program	35.0	50.8	**35.0**	-	-
Other	-	11.5	-	-	
Crime Prevention Week	2.0	-	**2.0**	-	-
Joint Emergency Preparedness Grant	-	-	**40.0**	40.0	-
Total	27,650.5	27,879.6	**27,486.8**	(163.7)	(0.6)

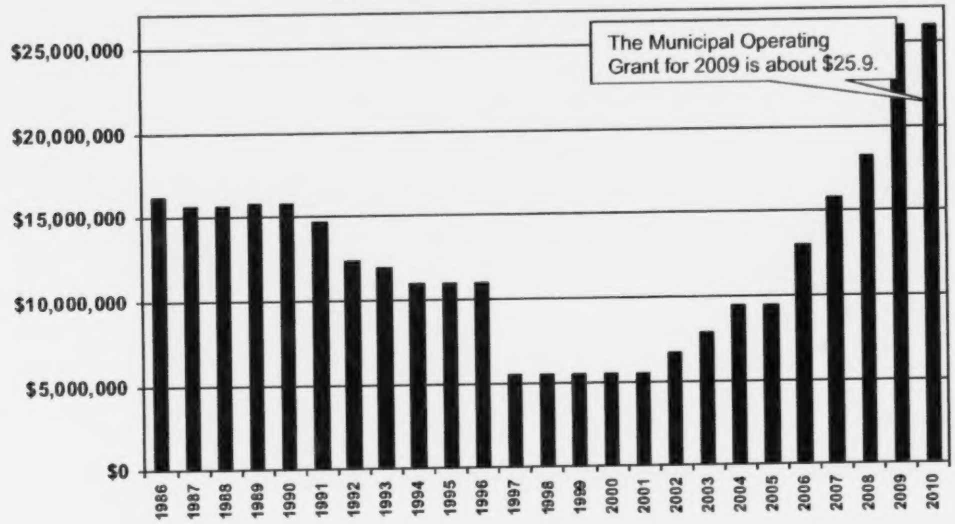
Municipal Operating Grant (former Revenue Sharing Grant)

For 2010, funding for Regina from the Municipal Operating Grant is approximately $25.9 million. This represents the same funding level as 2009.

This budget was developed with $25.9 million in funding from the Municipal Operating Grant Program (MOG). This program was originally intended to deliver 90% of 1% of Provincial Sales Tax (PST) in 2009 for municipal funding and grow to 100% of 1% of the PST in 2010. Early in 2010, the Provincial Government has indicated the municipal funding will be frozen at 2009 levels. The result is that the City of Regina will receive $8.4 million less in 2010 than the original agreement guaranteed.

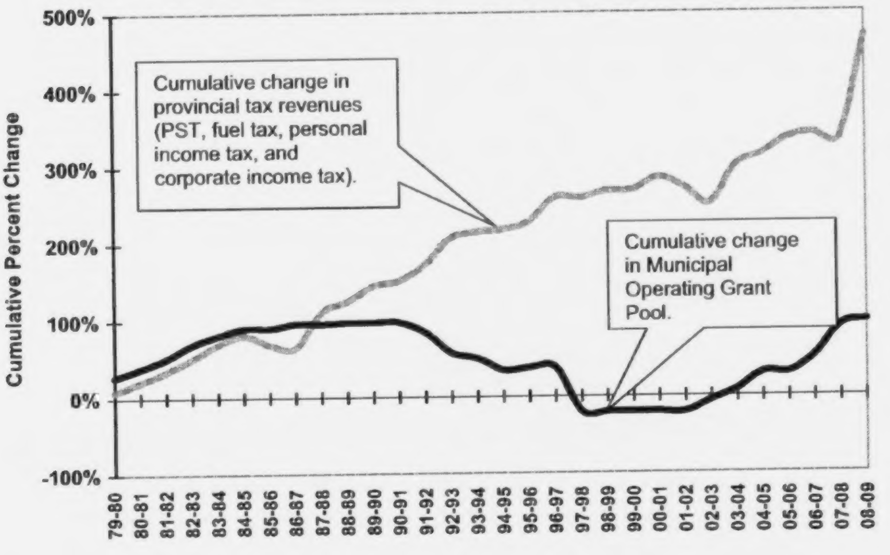
The following graph shows the annual Municipal Operating Grant received by Regina since 1986:

Regina's Municipal Operating Grant



Initially, the amount of funding in the Municipal Operating Grant Pool was linked to four provincial tax bases (retail sales, fuel, personal income and corporate income), with the size of the pool increasing or decreasing with the change in the tax base (not tax revenue). The following graph shows the increase in the Municipal Operating Grant Pool since the inception of the grant program, in comparison to the increase in tax revenue from the four provincial taxes initially linked to the Municipal Operating Grant Pool.

Provincial Tax Revenue and Municipal Operating Grant Pool



In 1990, the Municipal Operating Grant accounted for 11.1% of the total general operating revenue budget. In 2010, the grant accounts for 9.6% of the total general operating revenue.

The following table shows the estimated distribution of the Municipal Operating Grant for urban and rural municipalities for 2010.

Distribution of Municipal Operating Grant

	2010	
	$ Million	**Per Cent of Total**
Urban Municipalities		
Regina	25.89	15%
Saskatoon	29.23	17%
All Other Urban Muncipalities	51.98	31%
Urban Municipalities Subtotal	107.10	64%
Rural Municipalities	48.60	29%
Northern Communities	11.70	7%
	167.40	100%

Paratransit Grant

For 2010, the **Paratransit Grant** is projected to be $1,002,900, as the number of paratransit trips provided in 2009 decreased. The 2010 grant is not final and could change as a result of the final calculation by the Province.

The Province's Municipal Transit Assistance for People with Disabilities program provides operating and capital grants to specialized transportation programs such as Regina's paratransit system. When the grant program was first implemented, the program funded up to 50% of the net operating cost of the paratransit program and up to 75% of the capital cost. The operating grant has been converted to a performance-based grant with the level of funding linked to the number of trips.

The paratransit grant has not kept pace with service needs and costs. The following table provides information on the operating grants since 2002.

Paratransit Service ($000's)	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Provincial Operating Grant	930.5	897.9	939.2	919.1	955.7	949.8	1,062.9	1,002.9
City's Operating Contribution	1,247.4	1,380.3	1,461.0	1,539.1	1,617.7	2,075.7	2,572.4	2,418.3
Total Contributions	2,177.9	2,278.2	2,400.2	2,458.2	2,573.4	3,025.5	3,635.3	3,421.2
Provincial Operating Grant	42.7%	39.4%	39.1%	37.4%	37.1%	31.4%	26.3%	29.3%
City's Operating Contribution	57.3%	60.6%	60.9%	62.6%	62.9%	68.6%	73.7%	70.7%
Total Contributions	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The Province's contribution has dropped from the initial target of 50% to about 30% of the net operating cost of the program. Based on 2009 funding, it is projected that the Province's contribution will be about 26.3%. The City supported the move to a performance-based system for providing the operating grants. The concern however is that the level of provincial funding (as a portion of the net cost of the program) is declining due to funding for the program not increasing, as costs of delivering the program continue to rise. The level of funding for Regina is also adversely impacted if there is more rapid growth in the number of trips in other communities. While it is reasonable that communities with an increasing number of trips should receive additional funding, the additional funding should come from an increase in the total grant pool, not by reducing the provincial contribution per trip.

Other Grants

The total for other grants for 2010 is $884,500. The Province also provides transfers to the Regina Police Service. The transfers received by the Regina Police Service are included in the Fees and Charges section for Police. Other grants are conditional grants linked to specific projects or initiatives. Most of the grants are one-time grants that will not be received from year to year. Some of the grants, such as those for the control of Dutch Elm Disease, the Mosquito Control Grant or the Discounted Transit Pass Grant are programs that could continue for several years, although there is no specific commitment from the Province with respect to the timeframe for the grants.

Licenses, Levies and Fines

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Licenses					
Business Licenses	700.0	684.3	**700.0**	-	-
Animal Control and Impoundment	438.9	405.2	**400.0**	(38.9)	(8.9)
Taxi Licenses	40.0	48.6	**40.0**	-	-
Levies and Other Taxes					
Paved and Gravel Alley Special Tax	3,284.6	3,054.0	**3,072.5**	(212.1)	(6.5)
Amusement Tax	600.0	730.3	**600.0**	-	-
Fines					
Court Fines	2,750.0	3,187.4	**3,100.0**	350.0	12.7
Fine Revenue	-	-	**38.9**	38.9	
Parking Tickets	1,525.0	1,606.5	**1,625.0**	100.0	6.6
Total	9,338.5	9,716.3	**9,576.4**	237.9	2.5

Business Licenses

The authority for licenses is Section 8 of *The Cities Act*. The majority of the licenses issued by the City are pursuant to Bylaw 9565, The Licensing Bylaw.

The 2010 budget for business licenses is $700,000, no change from the 2009 budget. City Council (Report CR06-88) approved a simplified structure for license fees effective January 1, 2007. The new structure established two license categories with a fee of $225 for a Resident Business License and $450 for a Non-Resident Business License. On an annual basis, about 3,400 licenses are issued. Overall, the changes are expected to reduce total licensing revenues.

The following table details the business license revenue (budget and actual) since 2005.

Business License Revenue ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Budget	750.0	750.0	700.0	700.0	700.0
Actual	835.3	724.7	678.0	702.4	684.3
Variance	85.3	(25.3)	(22.0)	2.4	(15.7)

Animal Control and Impoundment

The 2010 budget for animal licensing and fines is $400,000. City Council (Report CR07-163) approved an amendment of the Cat Control Bylaw to state that all cats must be licensed and an increase in animal fines, effective January 1, 2008. The revenue from animal licensing and animal fines is a source of funding for animal control and impoundment, with services provided under contract by the Regina Humane Society.

Paved and Gravel Alley Special Tax

Funding for maintenance and reconstruction of alleys is through a **Paved and Gravel Alley Special Tax** levied pursuant to Section 275 of *The Cities Act*. The special tax is levied against all properties that abut an alley and is billed in conjunction with property taxes.

The 2009 budget of $3,072,500 is an increase of $212,000 over the 2009 budget. The 2010 budget reflects an increase in the special tax rates of approximately 0.03% (however a slight decrease in the assessed footage). There is also deferred revenue collected in prior years that will be expended in 2010.

The 2010 budget includes anticipated cost increases for labour, equipment and materials, which, in turn, require a corresponding increase in the alley special tax rates. In addition, the proposed increase includes the apportioned amounts of salaries for engineering and an allowance for initiating the bylaw enforcement process for private tree pruning.

These costs are not the full costs of operation and overhead. Full costs of overhead have not been charged to the program. Therefore, in order for the alley program to be fully funded by the property owners, additional costs of overhead will be identified and brought forward for consideration when future alleys programs are developed.

The following table details rates for alleys and lanes since 2006. Since 2003, the revenue was collected through the special tax provisions of *The Cities Act*. Prior to 2003, the levy was assessed pursuant to provisions of *The Urban Municipality Act, 1984*.

Assessable Rates	**2006**	**2007**	**2008**	**2009**	**2010**
Paved and Upgraded Alleys	$2.21/ft.	$2.28/ft.	$2.40/ft.	$2.64/ft.	$2.72/ft
Gravel Alleys	$1.43/ft.	$1.48/ft.	$1.55/ft.	$1.66/ft.	$1.71/ft

The rate increase for 2010 is consistent with the direction adopted by City Council to enhance the maintenance of alleys. In 1996, an initiative was undertaken to evaluate the entire alley system. From the review, it was proposed that a 30-year reconstruction cycle be adopted for paved alleys and a 40-year reconstruction cycle for gravel alleys.

In order to implement this proposal the number of paved alleys reconstructed each year would be increased by an increment of four until 2005 when the program would provide for reconstruction of approximately 45 paved alleys.

For gravel alleys, increased investment levels between 1996 and 2001, resulted in all alleys requiring full block reconstruction being completed. The 2001 evaluation confirmed the objectives of the strategy were met, however, adjustments to the maintenance program were warranted. The approved maintenance program involved blading four to five times during the construction season, spot gravelling, cleaning of catch basins, minor reconstruction, minor drainage improvements, and a systematic program of gravel refreshment. Continuation of the investment strategy ensured ten additional alleys/year would be refreshed until 2006 when a ten-year refreshment cycle was reached on a City wide basis. As well, minor reconstruction of alleys was reduced to the equivalent of approximately five locations/year.

If the special tax levy is not fully expended in the year levied for the intended purpose, the amount of the levy that is not spent is recognized as deferred revenue and taken into revenue only when it is expended on the intended purpose in the following year.

Amusement Tax

The authority for **amusement tax** is Section 279 of *The Cities Act*. Bylaw 2003-102, the Amusement Tax Bylaw, establishes the amusement tax rate and defines the nature of entertainment subject to the tax. Amusement tax is applicable to the sale of tickets for commercial movie theatres. The amusement tax is 10%, with one-tenth of the amount to be retained by the theatre as an administrative fee or commission for collecting the tax.

For 2010, the projected revenue from amusement tax is $600,000, no change from the 2009 budget. The administrative fee or commission for 2010 is $60,400.

The following table details the amusement tax revenue (budget and actual) since 2005.

Amusement Tax Revenue ($000's)	2005	2006	2007	2008	2009
Budget	700.0	525.0	550.0	600.0	600.0
Actual	595.3	598.2	601.8	611.9	730.3
Variance	(104.7)	73.2	51.8	11.9	130.3

Court Fines

The projected revenue from court fines for 2010 is $3,100,000, a $350,000 increase from the 2009 budget.

Court fines are received either through the Municipal Court or through traffic violations that result in payment through the provincial court system. The Regina Police Service issues tickets for infractions of *The Provincial Vehicles Act* and the City of Regina Traffic Bylaw.

The next table provides a summary of the budgeted and actual revenue from court fines since 2005 along with history on the number of traffic tickets issued and paid.

Court Fines Information	2005	2006	2007	2008	2009
Fine Revenue ($000's):					
Budget	2,100.0	2,400.0	2,400.0	2,750.0	2,750.0
Actual	2,530.9	2,473.6	2,673.1	3,364.1	3,187.4
Variance	430.9	73.6	273.1	614.1	437.4
Traffic Tickets:					
Tickets Issued	26,206	25,130	27,418	32,723	33,879
Tickets Paid	24,263	23,793	19,742	27,554	25,338

While the Province administers and enforces the collection of tickets, they deduct from the fine revenue remitted to the City the following charges:

- A court security fee of $320,000 per year.
- An administration fee of 25% of the value of the tickets collected, plus the costs for credit and debit cards and collection agency fees. The total projected fine administration fee for 2010 is $687,500.

Parking Fines

The projected revenue from parking fines for 2010 is $1,625,000, $100,000 increase from the 2009 budget.

The next table provides a summary of the parking fine revenue since 2005 along with information on the tickets issued and paid, and other related information.

Parking Ticket Information	2005	2006	2007	2008	2009
Parking Ticket Fines ($000's):					
Budget	1,400.0	1,280.0	1,260.0	1,525.0	1,525.0
Actual	1,412.3	1,674.7	1,490.6	1,315.1	1,606.5
Variance	12.3	394.7	230.6	(209.9)	81.5
Parking Tickets:					
Tickets Issued - City	69,344	59,321	64,247	60,783	68,239
Tickets Issued - Wascana/University	17,906	17,642	17,969	18,042	20,565
	87,250	76,963	82,216	78,825	88,804
Tickets Paid	75,770	67,974	72,308	66,741	76,669

Fees and Charges

Operating Revenue Summary ($000's)

Revenue Source ($000's)	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Public Works	9,765.0	10,622.7	**10,127.9**	362.9	3.7
Planning & Development	2,129.3	3,313.9	**2,134.7**	5.4	0.3
Community & Protective Services	14,693.5	16,663.5	**16,335.9**	1,642.4	11.2
Police Department	5,694.8	6,459.1	**6,697.7**	1,002.9	17.6
Other Fees and Charges	1,360.6	1,820.2	**1,162.0**	(198.6)	(14.6)
Total	33,643.2	38,879.4	**36,458.2**	2,815.0	8.4

Public Works Fees and Charges

Revenue Source ($000's)	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Solid Waste Collection	244.1	239.4	**244.1**	-	-
Landfill Charges	4,980.3	5,352.8	**5,368.0**	387.7	7.8
Allocated Landfill Charges	2,395.0	2,642.7	**2,521.0**	126.0	5.3
Recycling Revenues	360.0	276.4	**240.0**	(120.0)	(33.3)
Landfill Gas Sales	50.0	26.4	**-**	(50.0)	(100.0)
Use/Encroachment Fees	45.0	23.1	**45.0**	-	-
Parking Fees	1,340.0	1,447.4	**1,400.0**	60.0	4.5
Other Revenues	350.6	614.5	**309.8**	(40.8)	(11.6)
Total	9,765.0	10,622.7	**10,127.9**	362.9	3.7

Parking Meter Fees

The 2010 budget for parking meter revenues is $1,400,000, an increase of $60,000 over 2009. In 2003, City Council (CR03-113) approved, effective July 1, 2003, an increase in parking meter rates from $0.75 to $1.00 per hour. The increase was for regular meters. Loading zone meters are 50 cents for 15 minutes.

The following table details parking meter revenue (budget and actual) since 2005.

Parking Meter Revenue ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Budget	1,080.0	1,200.0	1,200.0	1,340.0	1,340.0
Actual	1,206.3	1,274.4	1,356.8	1,406.0	1,447.4
Variance	126.3	74.4	156.8	66.0	107.4

Landfill Fees

The 2010 budget for landfill fees is $5,368,000, an increase of $387,700 over 2009. This is due to an increase in the tipping fee at the scale, with expected unit volumes to remain relatively unchanged.

In 2007, City Council (Report CR07-157) approved landfill rates per tonne for 2008 to 2011. The rates for 2008, 2009 and 2010 are $36.00, $38.00 and $40.00 respectively.

In 2003, City Council adopted a funding policy for the calculation of the transfer to the landfill reserve. The landfill and recycling revenues net of landfill and recycling operating costs are transferred to the Landfill Reserve to fund landfill capital costs. The landfill revenues used in the calculation of the transfer include the revenues from external customers, and the deemed revenue, based on the approved landfill rates for residential waste disposed at the landfill. A financial model has been developed for the landfill operations, taking into account operating and capital costs for the landfill and recycling. Rates are established based on funding requirements for operating costs along with current and projected capital requirements.

The following table details landfill revenue (budget and actual) since 2005:

Landfill Revenue ($000's)	2005	2006	2007	2008	2009
Budget	3,542.0	3,814.5	3,814.5	5,775.3	4,980.3
Actual	3,526.1	3,925.0	4,372.7	5,176.3	5,352.8
Variance	(15.9)	110.5	558.2	(599.0)	372.5

The solid waste residential collection program pay tipping fees as is done by other internal City clients via an internal allocation. This allocation is done at the tipping fee unit price that is the same as for all other users, internal and external.

Planning & Development Fees and Charges

Revenue Source ($000's)	2009 Budget	2009 Actual	**2010 Budget**	Budget Change	
				Dollar Change	Per Cent Change
Planning & Sustainability Department					
Building Branch					
Building Permit Fees	1,406.1	2,415.8	**1,406.1**	-	-
Application Fees	166.6	93.2	**166.6**	-	-
Other Revenue	29.3	112.4	**29.3**	-	-
Development Planning Branch					
Development Application Fees	5.0	13.6	**5.0**	-	-
Sign Permit Fees	33.0	34.2	**33.0**	-	-
Sale of Promotional Items, Maps, etc.	0.6	0.4	**0.6**	-	-
Development Engineering Department					
Development & Technical Services					
Sale of Promotional Items, Maps, etc.	16.0	5.2	**4.0**	(12.0)	(75.0)
Sign Permit & Develop Application Fees	448.7	489.8	**448.7**	-	-
Allocated Surveying Costs	(194.5)	(131.5)	**(184.1)**	10.4	(3.7)
Municipal Access Fee	25.0	7.7	**7.5**	(17.5)	(70.0)
Access Administration Fee	2.5	4.4	**-**	(2.5)	(100.0)
Assessment & Property Taxation					
Tax Certificate and Search Fees	140.0	126.2	**140.0**	-	-
Administration Charges	20.0	32.3	**20.0**	-	-
NSF Service Charge	16.0	12.7	**16.0**	-	-
Miscellaneous Revenue	15.0	97.5	**42.0**	27.0	180.0
Total	2,129.3	3,313.9	**2,134.7**	5.4	0.3

Building Permit Fees

The 2010 budget for building permit fees is $1,406,100, the same level of fees as the 2009 budget. The fees are established in Building Bylaw 2003-7. In 2003, City Council (Report CR03-249) considered a report that reviewed the building permit fees. The fee schedule was not changed, but the formula for calculating the value for the purpose of determining the permit cost was revised. Building permit fees are, by policy, based on a 75% cost recovery over a five-year period. There is a schedule of fees for building projects with a value of up to $100,000 ($100 fee for $10,000 value up to $500 fee for $100,000 value), with the fee increasing by $5.00 per $1,000 in value above $100,000.

Assessment and Taxation Fees

The 2010 budget for assessment and tax fees is $218,000 in total. The estimated revenue from tax certificates and search fees is $140,000. The fee for a tax certificate is $25. Included in the 2010 budget is an estimated $50,000 in fees paid by mortgage companies for taxation services. A variety of other miscellaneous fees account for the balance of the assessment and taxation fee revenue. Fees are established in Schedule B of Bylaw 2003-69.

Community & Protective Services Fees and Charges

Revenue Source ($000's)	2009 Budget	2009 Actual	2010 Budget	Budget Change Dollar Change	Per Cent Change
Community Services Department					
Northwest Leisure Centre	398.5	465.8	**425.5**	27.0	6.8
Sandra Schmirler Leisure Centre	715.3	878.9	**784.3**	69.0	9.6
Lawson Aquatic Centre	828.2	997.9	**1,022.1**	193.9	23.4
Fieldhouse	706.8	885.4	**869.1**	162.3	23.0
Outdoor Pools	134.8	133.3	**108.7**	(26.1)	(19.4)
Neil Balkwill Civic Arts Centre	172.7	208.8	**202.7**	30.0	17.4
Speed skating Oval	2.0	2.9	**2.0**	-	-
Outdoor ice	0.6	1.2	**1.5**	0.9	150.0
Athletic Fields	170.3	165.3	**150.3**	(20.0)	(11.7)
Mosaic Stadium	211.1	325.2	**216.1**	5.0	2.4
Leslie Lawn Bowling Greens	17.5	17.5	**17.5**	-	-
Tennis Courts	2.0	0.5	**0.6**	(1.4)	(70.0)
Douglas Park	6.9	4.5	**7.0**	0.1	1.4
Indoor Arenas	1,306.8	1,381.3	**1,611.7**	304.9	23.3
Other Revenue	26.0	29.8	**26.0**	-	-
Community & Social Development Services					
Facility Rentals	134.1	160.2	**120.4**	(13.7)	(10.2)
Program Registration Fees	31.0	30.0	**31.0**	-	-
Other Revenue	-	-	**-**	-	-
Parks and Open Space Department					
Golf Courses	2,590.6	2,717.5	**2,664.7**	74.1	2.9
Cemeteries	797.5	844.7	**829.4**	31.9	4.0
Streetscape	5.0	7.6	**5.0**	-	-
Other Revenue	24.0	80.8	**19.5**	(4.5)	(18.8)
Protective Services Department					
Bylaw Enforcement	78.0	169.2	**91.2**	13.2	16.9
RRAP Inspection Fees	40.0	45.7	**40.0**	-	-
Licensing and Municipal Fines	6.6	8.8	**6.6**	-	-
Fire Administration	185.0	263.5	**200.0**	15.0	8.1
Fire Training	14.9	-	**-**	(14.9)	100.0
Transit Department					
Transit Operations	5,713.6	6,425.1	**6,476.4**	762.8	13.4
Paratransit Services	373.7	412.1	**406.6**	32.9	8.8
Total	14,693.5	16,663.5	**16,335.9**	1,642.4	11.2

Community Services Revenue

The following table details Community Services revenue (budget and actual) since 2004. The revenue includes the fees and charges for the Community Services Department, not including Indoor Arenas.

Community Services Revenues ($000's)	2005	2006	2007	2008	2009
Budget	3,463.6	3,426.5	3,535.6	3,613.4	3,392.7
Actual	3,113.8	3,479.5	3,812.0	4,144.3	4,117.0

A fees and charges strategy for the period 2008 through 2010 for sport, culture and recreation services was developed. As part of this strategy, fees and charges for admissions and leisure passes were approved by

City Council in 2007; fees and charges for rental services were approved by City Council in 2008. The strategy will be reviewed again in 2010.

Fees and charges are developed through a process that determines cost-recovery levels that aim to establish an acceptable balance between user fees and taxpayer subsidy. Where the community at large benefits from an individual's use of a program or service (for example, where a recreation activity is aimed at children and youth and focuses on water safety), a higher level of tax subsidy is deemed to be appropriate than when it is primarily the individual who benefits from the use of the program or service (for example, where the activity is aimed at adults developing specialized skills). This is referred to as a benefits-based approach to establishing cost recovery levels.

To reflect this approach, cost recovery levels at the City of Regina for services that are less specialized and targeted mostly at children and youth – including outdoor pools, athletic fields, and neighbourhood centres – are established between 20 to 25%, with the community as a whole sharing between 75 to 80% of the cost through tax subsidies. Cost recovery levels for services that are more specialized – such as fitness and aquatic facilities, arenas, and the Neil Balkwill Civic Arts Centre are established at between 50 to 60%, with the community as a whole subsidizing between 40 to 50% of the cost through tax subsidies. Where other service providers exist in Regina, as for fitness and aquatics services, rates reflect the market value for those services. This ensures that the City's provision of services at subsidized rates does not discourage other organizations from providing similar services in the marketplace.

The City also offers an Affordable Fun Program, which provides further subsidies for citizens who experience financial barriers to participation. Through this program, individuals who meet established criteria, are able to purchase leisure passes and register in programs at a subsidized rate.

Arena Revenue

The 2010 budget for arena revenue is $1,611,700; an increase of $304,900 from the 2009 level of $1,306,800. As part of the City's partnership to provide the community with access to the multi-purpose arena facilities at Evraz Place, a new fees and charges strategy for arenas is being developed for the 2010 winter season.

The following table details arena revenue (budget and actual) since 2004.

Arena Revenue ($000's)	2005	2006	2007	2008	2009
Budget	1,225.4	1,200.9	1,205.0	1,306.8	1,306.8
Actual	1,141.0	1,342.2	1,370.5	1,380.5	1,381.3
Variance	(84.4)	141.3	165.5	73.7	74.5

Golf Course Revenue

The 2010 budget for golf course revenue is $2,664.700; an increase of $74,100 from the 2009 budget amount of $2,590,600.

The three-year contract with Western Golf Management (WGM) to operate the Joanne Goulet and Lakeview Golf Courses expired on December 31, 2009. A Request for Proposal to operate these courses for the next three-year period (2010- 2012) was issued in August. As a result, WGM was awarded a new contract to operate the courses for this period. The new agreement is similar to the previous agreement; the City will receive an annual base fee along with 40% of all green fees collected.

WGM also has a 20-year contract (2002 – 2021) to operate the Murray and Tor Hill Golf Courses. The City receives an annual base fee, along with 50% of all green fees collected.

The following table details golf course revenue (budget and actual) since 2005.

Golf Course Revenue ($000's)	2005	2006	2007	2008	2009
Budget	2,427.5	2,357.0	2,473.6	2,473.6	2,590.6
Actual	2,108.5	2,510.1	2,472.4	2,590.8	2,717.5
Variance	(319.0)	153.1	(1.2)	117.2	126.9

Cemetery Revenue

The 2010 budget for Cemetery revenue is $964,400; an increase of $166,900 from the 2009 budget.

The increase is based on proposed fee increases. Sales volumes are expected to remain similar to 2009.

The following table details cemetery revenue (budget and actual) since 2005.

Cemetery Revenue ($000's)	2005	2006	2007	2008	2009
Budget	946.6	864.3	852.9	722.9	797.5
Actual	866.7	868.5	976.0	900.2	844.7
Variance	(79.9)	4.2	123.1	177.3	47.2

Fire Suppression Service Fees

The majority of the revenue is for fees pursuant to service agreements with the Rural Municipality of Sherwood and the Rural Municipality of Lumsden. The fees have two components:

- **Retainer Fee** – For each of the servicing agreements there is an annual retainer fee paid by the Rural Municipality. The base fee was established when the initial agreements were negotiated, with the fee increased each year by the greater of the percentage increase in the Consumer Price Index for the prior year, and the percentage increase in the capital and operating budgets. The following table has information on the projected retainer fee for 2010 along with the fees in prior years.

Fire Service Agreements Retainer Fee ($)	2006	2007	2008	2009	2010
Rural Municipality of Sherwood	69,617.0	74,950.0	76,900.0	80,300.0	82,800.0
Rural Municipality of Lumsden	9,350.0	10,071.0	10,300.0	10,800.0	11,100.0

- **Service Call Fee** – In addition to the retainer fee, there is a charge per incident billed to the rural municipality. Revenues vary based on the number of service calls, the resources required, and the length of time for a call. The estimated revenue from service call fees in 2010 is approximately $73,000.

  Other Fire suppression service fees are received from Saskatchewan Government Insurance for motor vehicle accidents and fires. The estimated revenue for 2010 is $28,100. Prior to 2009, the department also received payments from the Municipal Rescue Services Fund administered by SUMA for performing emergency services at vehicle accidents outside of the department's jurisdiction. The process changed in 2009 and all vehicle accident billings are processed directly through Saskatchewan Government Insurance.

Transit Fees and Charges

Revenue Source ($000's)	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Public Transit					
Cash Fares	1,621.5	1,660.8	**1,676.6**	55.1	3.4
Ticket Sales	883.6	1,016.4	**1,066.2**	182.6	20.7
Pass Sales	2,308.7	2,755.8	**2,798.5**	489.8	21.2
Senior Citizens Pass Sales	210.3	258.3	**247.3**	37.0	17.6
Advertising	438.2	439.2	**438.2**	-	-
Other Revenue	251.3	294.3	**249.6**	(1.7)	(0.7)
Paratransit					
Cash, Ticket and Pass Sales	253.7	259.4	**264.6**	10.9	4.3
Other Revenue	120.0	153.0	**142.0**	22.0	18.3
Total	6,087.3	6,837.2	**6,883.0**	795.7	13.1

The 2010 budget for Transit revenues is $6,332,600, an increase of $245,300 as compared to the 2009 budget. There is a grant from the Province of $510,000 for the discounted pass program, as well as a paratransit grant of $1,002,900. These grants are shown in the Government Grants section.

The following table details transit revenues (budget and actual) since 2005.

Transit Revenues and Fares ($000's)	2005	2006	2007	2008	2009
Public Transit Revenue:					
Budget	5,147.0	5,044.4	5,160.3	5,375.3	5,713.6
Actual	4,544.5	5,167.6	5,449.9	5,972.0	6,424.8
Variance	(602.5)	123.2	289.6	596.7	711.2
Paratransit Revenue:					
Budget	432.3	456.2	473.9	393.9	373.7
Actual	445.8	480.7	517.7	405.1	412.4
Variance	13.5	24.5	43.8	11.2	38.7
Transit Rates (Effective Jan. 1):					
Cash Fares:					
Adult	2.00	2.10	2.10	2.10	2.25
Youth	1.50	1.60	1.60	1.60	1.75
Tickets (10 tickets):					
Adult	16.50	17.00	17.00	17.00	18.00
Youth	12.00	12.50	12.50	12.50	13.50
Bus Pass:					
Adult (monthly)	54.00	57.00	57.00	57.00	59.00
Post Secondary (monthly)	47.00	48.00	48.00	48.00	50.00
Youth (monthly)	40.00	42.00	42.00	42.00	44.00
Senior (semi-annual)	88.00	93.00	93.00	93.00	96.00
Senior (annual)	176.00	185.00	185.00	185.00	192.00
Discounted Pass (monthly)	15.00	15.00	15.00	15.00	20.00
Punch Pass (40 uses)	80.00	84.00	84.00	84.00	90.00
Paratransit Rates (Effective July 1):					
Cash Fares	1.90	2.00	2.10	2.10	2.25
Tickets (10 Tickets)	19.00	20.00	21.00	21.00	18.00
Monthly Pass (40 uses)	76.00	80.00	84.00	84.00	90.00

In 2008, Paratransit rates were adjusted to parallel Public Transit rates. The 40 use Punch Pass is available to Paratransit customers only.

Police Fees and Charges

Revenues for the Regina Police Services are projected to increase $1,002,900. The revenues are based on the 2010 budget of the Board of Police Comission as submitted to City Council. The revenues include transfers from the Federal and Provincial Governments.

				Budget Change	
Revenue Source ($000's)	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Provincial Programs					
9-1-1 PSAP	788.6	788.6	**826.8**	38.2	4.8
Victim Services	97.5	104.1	**212.4**	114.9	117.8
Aboriginal Resource Officers	90.7	108.3	**-**	(90.7)	(100.0)
SHOCAP	487.5	525.0	**500.0**	12.5	2.6
CFSEU	502.5	502.5	**527.5**	25.0	5.0
Enhanced Community Policing	1,560.0	1,635.0	**1,600.0**	40.0	2.6
Missing Person Task Force	97.5	97.5	**100.0**	2.5	2.6
Internet Child Exploitation	195.0	232.0	**200.0**	5.0	2.6
Fraud Investigator - Social Services	100.0	100.0	**100.0**	-	-
Provincial Police Resource	100.0	-	**400.0**	300.0	100.0
Child Sexual Exploitation	195.0	232.5	**200.0**	5.0	2.6
CFSEU - Operating Cost Recovery	-	124.3	**80.0**	80.0	-
CFSEU - Inspector	156.0	157.7	**39.8**	(116.2)	100.0
SGI Enforcement Overdrive	78.3	69.8	**82.0**	3.7	4.7
	4,448.6	4,677.3	**4,868.5**	419.9	9.4
Federal Programs					
Proceeds of Crime	90.0	90.0	**90.0**	-	-
RIIU Casual Monitor	28.0	19.0	**23.2**	(4.8)	(17.1)
Corrections Liaison Officer	108.3	108.8	**113.1**	4.8	4.4
NWEST - National Weapons Enforcement	102.9	95.9	**112.7**	9.8	100.0
Olympics 2010 Vancouver	-	-	**334.9**	334.9	100.0
	329.2	313.7	**673.9**	344.7	104.7
Other Revenue					
Radio Shop	370.8	603.3	**373.5**	2.7	0.7
Miscellaneous Revenue	496.1	775.6	**572.8**	76.7	15.5
Contributions	45.1	84.4	**204.0**	158.9	352.3
Cost Recoveries	5.0	4.8	**5.0**	-	-
	917.0	1,468.1	**1,155.3**	238.3	26.0
Total	5,694.8	6,459.1	**6,697.7**	1,002.9	17.6

Provincial Programs

- **Sask 9-1-1 PSAP** – This revenue is related to the provincial 9-1-1 system. The Regina Police Service is one of the three PSAP's for Saskatchewan. This program funds 10.8 permanent and casual civilian employees.

- **Victim Services** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two civilian employees to provide basic services to victims of crime and traumatic events including information, support, referral, accompaniment and advocacy.

- **SHOCAP** – Serious and Habitual Offender Comprehensive Action Plan Program. This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds five police officers to provide a strategy that integrates the resources of police, prosecutions, social services, corrections and other agencies to respond in an effective manner to serious and habitual offenders.

- **CFSEU** – Combined Forces Selective Enforcement Unit. This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds five police officers to provide a strategy for the resources of the Regina Police Service Serious Crime Task Force to conduct comprehensive investigations of individuals involved in or suspected of engaging in organized criminal activities.

- **Enhanced Community Policing** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds sixteen police officers to assist the Regina Police Service with its Neighbourhood Policing Program.

- **Missing Person Task Force** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds one police officer to investigate new and historic missing person cases.

- **Child Sexual Exploitation** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two police officers to investigate child sexual exploitation offences.

- **Internet Child Exploitation (ICE)** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two police officers dedicated to the investigation of internet child exploitation files.

- **Provincial Police Resources** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds four police officers effective October 1, 2009 dedicated to the investigation of gangs, violence and drugs.

- **Fraud Investigator** – This program is funded by the Saskatchewan Provincial Government, Department of Social Services and funds one police officer to investigate fraud.

- **CFSEU Operating Cost Recovery** – This revenue is cost recovery for building lease, utility expenses and vehicle lease expenses for CFSEU.

- **CFSEU – Inspector** – This program is funded by Saskatchewan Provincial Government, Department of Justice and funds the Inspector in charge of the Combined Forces Selective Enforcement Unit which ends March 31, 2010.

- **SGI Enforcement Overdrive** – This program is funded by SGI and funds the cost to conduct road side check points to reduce the incidence of impaired driving and make the streets of Regina safer.

Federal Programs

- **Proceeds of Crime** – This program is funded by the Government of Canada and funds one officer to participate in a multi-organizational unit called the Integrated Proceeds of Crime Section (IPOC).

- **RIIU ACIIS Data Entry Clerk** – This program is funded by the RCMP and supports one-half casual civilian employee to provide data-entry duties related to Automated Criminal Intelligence Information System (ACIIS).

- **Corrections Liaison Officer** – This program is funded by the Correctional Service of Canada (CSC) and funds one police officer to work closely with parole officers including monitoring the activities of higher-risk offenders; acting as a link with police and other relevant agencies in order to enhance information sharing; and engaging in activities related to reducing the number of unlawfully at large offenders.

- **NWEST – National Weapons Enforcement Support Team** – This program is funded by the RCMP and supports one police officer to work with the Firearms Support Services Directorate (FSSD).

- **Olympics 2010 Vancouver** – Cost recovery from the Governement of Canada for 20 Regina Police Service members deployed with the Integrated Security Unit at the Vancouver Olympics.

Other Police Revenues

- **Communication Technology Unit** – This revenue is cost recovery and corresponds with the Communication Technology (Radio Shop) Operating Budget. Revenues are received by charging the users (City of Regina, Regina Police Service and some external users) of the trunked radio system and are managed by the Radio Management Committee.

- **Miscellaneous Revenues** – This revenue includes pre-employment criminal record checks, letters of conduct, special duty, Treaty Four Citizens Police Academy and other general revenue.

- **Contributions** – This revenue includes partial funding for one police officer to provide the services of Liaison Officer for the University of Regina, one police officer seconded to the File Hills First Nations Police Service and revenue from the Public and Separate School Boards for the School Resource Officer Program.

- **Cost Recoveries** – This revenue is cost recovery and represents the actual cost of administering the Sigma test to all police and communications officer applicants.

Other Fees and Charges

Revenue Source ($000's)	2009 Budget	2009 Actual	2010 Budget	Budget Change Dollar Change	 Per Cent Change
Council and Committees					
Board of Revision Fees	30.0	45.9	**15.0**	(15.0)	(50.0)
Development Appeals Fees	4.0	2.7	**4.0**	-	-
Other Revenue	2.7	0.3	**1.0**	(1.7)	(63.0)
	36.7	48.9	**20.0**	(16.7)	(45.5)
Office of the City Manager					
Communication Fees and Charges	16.0	6.3	**4.0**	(12.0)	(75.0)
Election Cost Recovery	198.3	213.9	**-**	(198.3)	100.0
Other Revenue	0.4	318.9	**0.4**	-	-
	214.7	539.1	**4.4**	(198.3)	(92.4)
Corporate Services Department					
Auction and Salvage	170.0	236.6	**205.0**	35.0	20.6
Employee Parking	289.3	280.2	**334.8**	45.5	15.7
Facility Operating Agreements	21.0	35.4	**19.0**	(2.0)	(9.5)
Facility Charges - Sunset Library	78.1	81.1	**78.1**	-	-
False Alarm Fees	63.0	50.3	**50.0**	(13.0)	(20.6)
Agreement and Charters	5.0	0.5	**5.0**	-	-
Other Revenue	85.6	150.9	**48.5**	(37.1)	(43.3)
	712.0	835.0	**740.4**	28.4	4.0
Saskatchewan Lotteries Grant	397.2	397.2	**397.2**	-	-
Total	1,360.6	1,820.2	**1,162.0**	(186.6)	(13.7)

Board of Revision Fees

The Board hears appeals and makes decisions with respect to local improvements and property assessment appeals in accordance with *The Local Improvements Act, 1993* and *The Cities Act*. There are nine citizen members on the Board. The fees established by City Council in Bylaw 2003-69, pursuant to the authority in Section 196 of *The Cities Act*, are:

- $30.00 for each single family residential property.
- $30.00 per condominium unit.
- For all other properties, $150.00 for properties with a fair value assessment of up to $499,999. For properties with a fair value assessment of $500,000 to $1,000,000, the fee is $500.00 and for properties with a fair value assessment over $1,000,000, the fee is $750.00.

Fees are refundable if the appeal is successful. There are typically a substantial number of appeals in a reassessment year, with fewer appeals in the years following a reassessment.

Development Appeals Fees

The Development Appeals Board hears and considers appeals to zoning regulations. It carries the duties and powers as set forth in Bylaw 9250 and section 92 of *The Planning and Development Act, 1983*. There are five citizen members on the Board. The appeal fee is $50.00.

False Alarm Fees

Based on a recommendation from The Board of Police Commissioners, City Council passed Bylaw 2004-24, providing for false alarm fees of $75 for the third and fourth false alarm within a one year period. The Police Department administers the alarm bylaw, but the fees are billed through the Financial Services Department.

Other Revenues

Operating Revenue Summary ($000's)

Revenue Source	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Electrical Distribution	26,103.5	27,110.3	**28,261.5**	2,158.0	8.3
Gas Distribution	10,013.5	8,532.1	**8,655.0**	(1,358.5)	(13.6)
Interest	3,066.1	7,764.8	**5,066.1**	2,000.0	65.2
Tax Penalties	1,165.0	962.0	**975.0**	(190.0)	(16.3)
Local Improvement Interest	-	-	**75.0**	75.0	-
Interfund Transfers					
Utility Surplus Transfer	5,436.3	5,436.3	**5,873.9**	437.6	8.0
Utility Administration	3,231.8	3,231.8	**3,519.5**	287.7	8.9
Pension and Benefits Administration	70.1	70.1	**73.9**	3.8	5.4
Buffalo Pound Water Admin. Board	27.9	27.9	**29.1**	1.2	4.3
Transfers from Reserves					
General Fund Reserve	6,731.4	808.6	**2,516.2**	(4,215.2)	(62.6)
Social Development Reserve	-	320.0	**-**	-	-
Technology Reserve	92.9	-	**-**	(92.9)	100.0
Cemetery Reserve	59.8	-	**43.5**	(16.3)	(27.3)
Total	55,998.3	54,263.9	**55,088.7**	(909.6)	(1.6)

Electrical Distribution Revenue

The City receives from SaskPower a 10% municipal surcharge that is added to a customer's bill, and 5% of the SaskPower revenues within the city limits (called a payment in lieu of taxes).

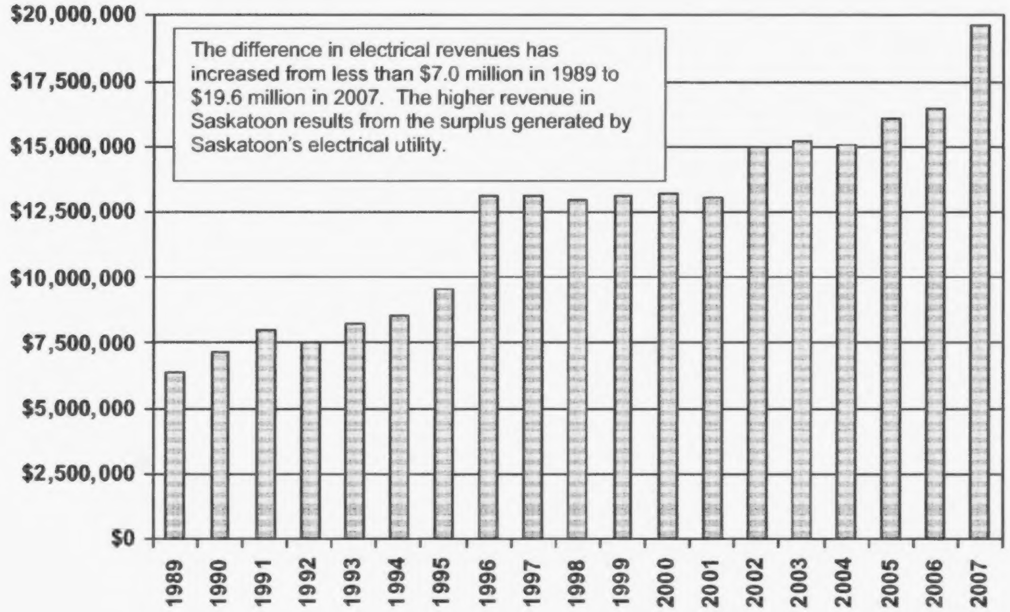
The projected revenue for 2010 is $28,261,500, an increase of $2,158,000 or 8.3% over the 2009 budget. The 2010 revenue budget is based on a three-year average of the revenue received from SaskPower, after adjusting for rate changes over the three-year period.

The following table details the electrical revenue (budget and actual) since 2005.

Electrical Revenue ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Budget	21,440.0	22,730.0	24,010.0	24,600.0	26,103.5
Actual	22,123.1	23,904.4	25,378.1	25,428.9	27,110.3
Variance	683.1	1,174.4	1,368.1	828.9	1,006.8

Electrical revenue is the major difference in the revenue available to Regina and Saskatoon. The next graph highlights the **difference** in electrical revenues in the two cities since 1989.

Difference in Electrical Revenues – Regina and Saskatoon



The difference in electrical revenues has increased from less than $7.0 million in 1989 to $19.6 million in 2007. The higher revenue in Saskatoon results from the surplus generated by Saskatoon's electrical utility.

Natural Gas Distribution Revenue

The City receives revenues from SaskEnergy and its subsidiary TransGas on the consumption of natural gas. For SaskEnergy, there is a 5% surcharge (payment in lieu of taxes) that is added to a customer's bill. For customers who do not purchase natural gas from SaskEnergy, but purchase from another supplier, TransGas delivers the natural gas and bills for the transportation cost. TransGas also collects a 5% payment in lieu of tax that is paid to the City. The amount is calculated on the costs of transportation, plus a deemed cost of gas calculated in accordance with regulations. In calculating the deemed cost of gas, the average cost of gas as determined by Saskatchewan Industry and Resources is used.

The TransGas payments with respect to the consumption by Consumers' Co-operative Refineries Limited (CCRL) and Newgrade Energy Inc. (NEI) are subject to an agreement dated October 3, 2000. The agreement was linked to the expansion of the refinery. Prior to the agreement taking effect, the payments from CCRL and NEI for direct purchases of natural gas was calculated on the total amount of natural gas purchased. The companies use natural gas for fuel (fuel stock) and in the production process (feedstock). The agreement provided that once the expansion was operational, natural gas used as feedstock would be eliminated from the calculation of the amount paid to the City, subject to a base amount. The payment to the City will be the greater of an average annual amount of $1,162,050 or the amount due on natural gas used as fuel.

The projected revenue for 2010 is $8,655,000, a decrease of $1,358,500 than the 2009 budget. Assumptions used to generate the 2010 revenue budget are:

- The projected revenue from SaskEnergy is based on a three-year average, with the revenues over the three years adjusted for rate changes.

- The TransGas payment with respect to the consumption of natural gas by Consumers' Co-operative Refineries Limited and Newgrade Energy Inc. is based on the terms of the agreement, projected natural gas volumes provided by the two companies, and the average deemed cost of gas. Changes in the volume of fuel stock and/or the deemed cost of gas will affect the actual revenue received, subject to the base amount in the agreement.

The following table details the gas revenue (budget and actual) since 2005.

Gas Revenue ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Budget	8,980.0	9,395.0	9,667.5	8,401.4	10,013.5
Actual	9,431.0	8,709.7	8,448.8	9,316.0	8,532.1
Variance	451.0	(685.3)	(1,218.7)	914.6	(1,481.4)

There have been substantial variances between the revenue budget and actual revenue. The variances are for the most part related to the payments for direct purchase customers. Variability in the deemed cost of gas is the major factor. CCRL gas rates decreased over 50% from last year's pricing.

The following table details the deemed cost of gas since 2005 used in the calculation of the payments in lieu of taxes for direct purchase customers. In addition to the deemed cost of gas, there is an amount added to the deemed cost pursuant to regulations. The amount for 2008 was 13.3 cents per GJ from January to August and 13.0 cents per GJ from September to December.

Deemed Cost of Gas ($ per GJ)	**2005**	**2006**	**2007**	**2008**	**2009**
January	6.558	10.853	7.086	6.278	6.258
February	6.062	9.658	6.627	6.678	5.737
March	5.965	7.340	6.814	7.189	4.812
April	6.331	6.340	7.130	7.728	4.028
May	6.954	6.092	6.732	8.495	3.395
June	6.768	5.704	6.299	9.168	3.114
July	6.451	5.356	6.015	9.400	3.102
August	6.684	5.413	5.159	9.940	2.967
September	7.544	5.778	5.778	7.662	2.740
October	9.470	5.108	5.108	6.548	2.471
November	11.025	4.782	4.782	5.916	3.094
December	10.379	6.747	6.747	6.328	4.082

Interest

Interest earnings are a combination of earnings on short-term investments in a money market fund, and revenue from funds held in a long-term bond fund. The projected interest revenue is subject to change due to changes in cash balances and/or interest rates. **The 2010 budget for interest earnings is $5,066,100 an increase of $2,000,000 compared to the 2009 budget**, due to higher cash balances in long-term bonds.

The following table details the interest revenue (budget and actual) since 2005.

Interest Revenue ($000's)	2005	2006	2007	2008	2009
Budget	3,850.0	4,050.0	4,466.4	4,532.3	3,066.1
Actual	4,756.6	4,786.1	5,232.0	5,869.8	7,680.9
Variance	906.6	736.1	765.6	1,337.5	4,614.8

Tax Penalties

Tax penalties are applicable to current taxes that are not paid by June 30 each year and tax arrears. The exception for current taxes is where a property owner is paying taxes through the TIPPS program. The penalty rate for current taxes is 1.25% per month, with a rate of 1.5% per month for tax arrears.

The 2010 budget for tax penalties is $975,000, a $190,000 decrease compared to 2009 budget. Penalties for current taxes have decreased in recent years as more customers (both residential and non-residential) make use of the monthly tax payment program (TIPPS) and as tax arrears decline. The following table details the tax penalty revenue (budget and actual) since 2005.

Tax Penalty Revenue ($000's)	2005	2006	2007	2008	2009
Budget	1,575.0	1,265.0	1,265.0	1,265.0	1,165.0
Actual	1,135.3	965.5	963.9	977.2	962.0
Variance	(439.7)	(299.5)	(301.1)	(287.8)	(203.0)

Water and Sewer Utility Transfers

Transfers from the Water and Sewer Utility include:

- A Transfer to the General Operating Fund, and
- A Utility Administration Charge.

The **Transfer to General Operating Fund** is calculated based on 7.5% of the budget for billed utility revenues for the prior year. Starting in 2004, the transfer includes the benefit to the Utility (estimated to be $675,000) of the additional GST rebate. The rate used to calculate the Transfer in 1990 was 2.5%. The rate was revised to 7.5% starting in 1991. The transfer is intended to reflect a payment in lieu of taxes. A private utility operating in any City would be required to pay property taxes and/or access fees. Transfers are paid by virtually all utilities operating in Western Canada and are typically in a range of 5 to 15% of total utility revenues.

The **Utility Administration Charge** is calculated as 5% of the budgeted utility expenditures for the prior year. Most corporate functions (City Council, Committees, City Manager, Human Resources, City

Solicitor's Office, City Clerk's Office, Accounting, Budgeting, and Purchasing) are involved in issues or activity related to the Water and Sewer Utility. The percentage transfer is used in lieu of a more detailed cost allocation process. A more detailed process would still involve arbitrary decisions, and would significantly increase the effort and hence cost required as compared to the current policy. The amount of the charge is intended to be an approximate measure of the extent that these corporate costs are attributable to the utility.

For 2010, the utility transfers are $9,393,400, an increase of $725,300 over the transfers in 2009. The next table provides details on the utility transfers since 2005.

Water & Sewer Utility Transfers ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Transfer to the General Operating Fund					
Base Utility Transfer	3,828.5	3,996.6	4,176.8	4,355.4	4,761.3
GST Rebate Transfer	675.4	675.4	675.4	675.0	675.0
Total Transfer to General Operating	4,503.9	4,672.0	4,852.2	5,030.4	5,436.3
Utility Administration Charge Transfer	2,599.6	2,716.1	2,836.2	3,231.8	3,519.5
Total Transfers	7,103.5	7,388.1	7,688.4	8,262.2	8,955.8

Transfers From Reserves

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus, the net revenue of the Real Estate operations (primarily revenue from the sale of land), and unexpended capital funds that are returned to the reserve. The following table provides a projection for the General Fund Reserve.

At 2009 year end, the General Fund Reserve has an unaudited balance of about $32.5 million as a result of the 2009 surplus, strong sales of industrial land, and some unexpended capital funds returned to the reserve.

General Fund Reserve ($000's)

	2010	2011	2012	2013	2014
Reserve Balance - Start of Year	32,523	18,773	18,773	18,623	18,623
Projected Requirements:					
Regina Exhibition Association Ltd. For Princess Street Improvements	(289)	-	-	-	-
2011 Men's World Curling Championships	(190)	-	-	-	-
International Junior Hockey Tournament	(100)		-	-	-
Transfer to the Techonology, Asset Revitalization, Equipment Replacement and Transit Equipment Reserves	(4,500)	-	-	-	-
Civic Election	-	-	(150)		-
General Operating Budget					
Fund 2009 One-Time Operating Expenditures	(2,226)	-	-	-	-
Funding Required for Capital Program:	-	-	-	-	-
Urban Development Agreement	(500)	-	-	-	
Lewvan Dr. & Parliament Ave. Intersection Improvement	(1)	-	-	-	-
Rochdale Blvd. Median Landscaping	(9)	-	-	-	-
Radio System Fibre Optic Loop	(370)	-	-	-	-
Gravel Road Upgrading	(6)	-	-	-	-
Traffic Management & Parking	(348)	-	-	-	-
Downtown Neighbourhood Plan - Albert St. Pilot	(142)	-	-	-	-
Police Capital Program	(262)	-	-	-	-
Downtown Neighbourhood Plan - City Square Project	(200)	-	-	-	-
Official Community Plan Study	(375)	-	-	-	-
Plant Material Establishment Funding	(7)	-	-	-	-
Parks & Facilities Yard Trade Shop	(25)	-	-	-	-
Reserve Balance - End of Year	22,973	18,773	18,623	18,623	18,623
Transfer to Proposed Land Development Reserve[1]	(4,200)	-	-	-	-
Assessment Appeal Risk[2]	-	-	-	-	-
Adjusted Reserve Balance	18,773	18,773	18,623	18,623	18,623

Note:

1. ***Transfer to Proposed Land Development Reserve***
   The City's real estate operations in 2008 and 2009 generated surpluses totalling $6.7 million. This amount is included in the 2010 opening balance of the General Fund Reserve. During 2010, this $6.7 million was to be used to establish a proposed

Land Development Reserve. However, the Administration recommended and the City Council approved, the reallocation of $2.5 million of this total to the Technology, Asset Revitalization, Equipment Replacement and Transit Equipment Reserves. Consequently, the transfer from the General Fund Reserve to establish a proposed Land Development Reserve is now $4.2 million.

2. ***Assessment Appeal Risk***
   No provision has been made in the 2010 General Operating Budget for the cost of lost assessment appeals arising from the 2010 Assessment Roll. If the cost of lost assessment appeals causes a deficit in the 2010 fiscal year, then that deficit must be eliminated by a transfer from the General Fund Reserve to the General Operations Fund. The current maximum appeal risk is estimated at $1.3 million.

Future inflows to the General Fund Reserve may be reduced by creating a Land Development Reserve, by transferring operating surpluses to the Asset Revitalization Reserve and by using previous year's surplus to fund current year one-time operating expenditures. A General Fund Reserve balance of $12.5 million to $25 million representing 5% to 10% of budgeted revenues is the suggested preferred minimum balance.

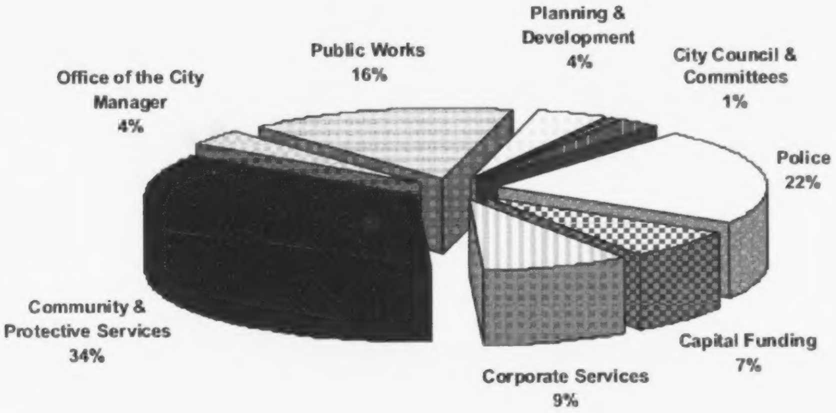
General Operating Expenditures

General Operating Expenditures

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
City Council and Committees	1,577.4	1,247.6	**1,434.6**	(142.8)	(9.1)
Community Investments	7,492.6	7,236.2	**6,956.4**	(536.2)	(7.2)
Office of the City Manager	9,965.9	9,683.2	**9,773.3**	(192.6)	(1.9)
Community & Protective Services	91,915.4	91,906.9	**94,905.1**	2,989.7	3.3
Public Works	40,768.8	41,247.1	**42,971.5**	2,202.7	5.4
Corporate Services	21,836.3	25,426.9	**23,721.1**	1,884.8	8.6
Planning & Development	10,417.5	11,880.5	**11,526.6**	1,109.1	10.6
Civic Operating Subtotal	183,973.9	188,628.4	**191,288.6**	7,314.7	4.0
Capital Funding	16,352.9	16,216.6	**18,219.0**	1,866.1	11.4
Police Department	55,717.3	56,481.7	**59,434.3**	3,717.0	6.7
Total	256,044.1	261,326.7	**268,941.9**	12,897.8	5.0

2010 Operating Expenditures

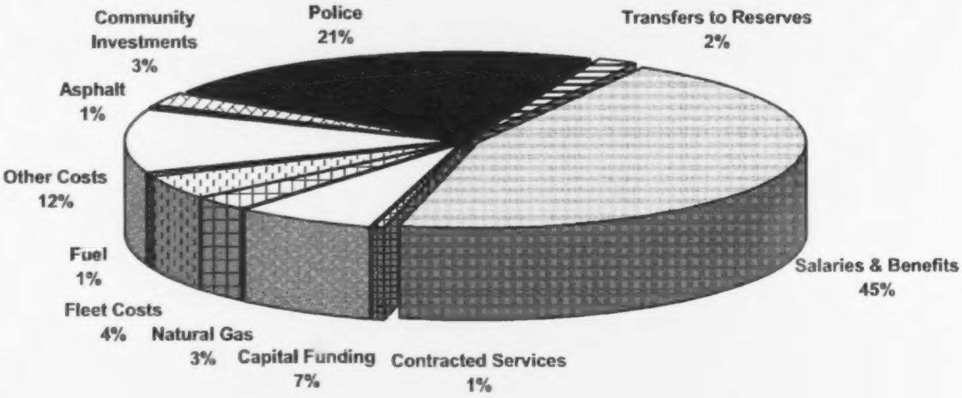


Operating Expenditure Summary ($000's) by Type of Expenditure

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Salaries & Benefits	116,443.0	112,526.3	**122,200.0**	5,757.0	4.9
Contracted Services	1,698.0	1,505.0	**1,510.7**	(187.3)	(11.0)
Community Investments	7,492.6	7,236.2	**6,956.4**	(536.2)	(7.2)
Fuel	2,982.5	2,348.4	**2,973.5**	(9.0)	(0.3)
Natural Gas and Electricity	7,452.3	7,705.7	**7,794.1**	341.8	4.6
Asphalt	1,485.3	1,518.0	**1,585.3**	100.0	6.7
Transfers to Reserves	5,114.5	7,609.7	**5,431.6**	317.1	6.2
Fleet Costs	11,090.3	9,480.1	**11,289.8**	199.5	1.8
Other Costs	30,215.4	38,699.0	**31,547.2**	1,331.8	4.4
Civic Operating Subtotal	183,973.9	188,628.4	**191,288.6**	7,314.7	4.0
Capital Funding	16,352.9	16,216.6	**18,219.0**	1,866.1	11.4
Police Department	55,717.3	56,481.7	**59,434.3**	3,717.0	6.7
Total	256,044.1	261,326.7	**268,941.9**	12,897.8	5.0

2010 Operating Expenditures

(thousands of dollars)



Why Have Expenditures Increased?

The increase in expenditures (2010 budget to 2009 budget) is about $13.2 million, or an increase of 5.2%. Details of the increase are provided in the next table and the discussion that follows.

Summary of Expenditure Increases – 2009 to 2010

	Amount of Increase		Per Cent Increase
Salaries and Benefits:			
City Council	1,000		
Office of the City Manager	(325,500)		
Corporate Services	752,000		
Community & Protective Services	432,700		
Planning & Development	879,300		
Public Works	154,200		
2010 Estimated increases Civic and Police	4,760,200		
Subtotal		$ 6,653,900	
One-time and Ongoing			
2010 One-time and Ongoing	4,653,500		
Delete 2009 Specials	(3,829,000)		
Subtotal		824,500	
Less Reinvestments:			
Specific Items	(1,628,300)		
Subtotal		(1,628,300)	
Other Expenditure Changes:			
Allocated Equipment Costs	2,678,600		
Allocated Landfill Disposal Costs	54,600		
Fleet Costs	199,500		
Allocated Fleet Costs	(2,685,800)		
Allocated Facilities trade Costs	101,000		
Allocated Pooled Equipment costs	177,700		
Transfer to Reserves	317,100		
Electricity and Natural Gas	341,800		
Education and training	167,300		
Grants and Sponsorship	63,800		
Contracted Services	(187,300)		
Audit Services	32,700		
Banking Services	35,000		
Ice rental	1,000,000		
Asphalt	100,000		
Software Maintenance Charges	111,600		
Construction	150,000		
Kennel Services	130,600		
Advertising & Media Services	184,900		
Legal Services	(130,000)		
Clothing	(99,600)		
Cosulting Services	(465,600)		
General Supplies	(94,800)		
Other purchased Services	(621,600)		
Other Cost Changes	678,700		
		2,240,200	
Total Civic Operating Increase		8,090,300	4.4%
Capital Funding:			
Debt Costs	1,866,100		
Subtotal		1,866,100	
Police Budget Increase:		2,941,400	5.3%
Total Increase - 2009 to 2010		12,897,800	5.0%

In developing the budget, increases in expenditures must be substantiated. **There is no general inflationary increase applied to expenditures**.

Salary and Benefits

The increase in the civic portion of the budget for salaries and benefits of about $4.0 million is projected based on:

- The collective agreements for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and The International Association of Fire Fighters Local 181) expired at the end of 2009. Settlement on these contracts will be reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada.

- Salary and benefit costs have increased in part due to merit increases provided in collective agreements and classification changes.

The next table provides a summary of the staff complement reflected in the General Operating Budget for 2009 and 2010.

The staff complement in the table does not include positions funded through other budgets, including the Water and Sewer Utility Budget, the Costing Fund Budget or the General Capital Budget.

General Operating Budget Staff Complement (FTE's)

	2009			2010			
Department	**Permanent**	**Casual**	**Total**	**Permanent**	**Casual**	**Total**	**Change**
Civic Administration							
City Council & Committee	5.0	1.0	**6.0**	6.0	-	**6.0**	-
Office of the City Manager	83.5	3.3	**86.8**	83.5	1.3	**84.8**	(2.0)
Community & Protective Services	689.5	176.4	**865.9**	695.5	177.1	**872.6**	6.7
Public Works	206.1	63.2	**269.3**	206.1	63.5	**269.6**	0.3
Corporate Services	303.1	29.7	**332.8**	308.1	30.1	**338.2**	5.4
Planning & Development	139.6	4.1	**143.7**	144.6	9.1	**153.7**	10.0
Civic Total	1,426.8	277.7	**1,704.5**	1,443.8	281.1	**1,724.9**	20.4
Police Department	522.0	21.0	**543.0**	529.0	22.0	**551.0**	8.0
Total	1,948.8	298.7	**2,247.5**	1,972.8	303.1	**2,275.9**	28.4

The changes in the staff complement for the Civic Administration include:

In the Office of the City Manager, the changes are as follows:

- A reduction of 2.0 Casual Project Management Analysts to develop customer service improvements within the organization.

In Community & Protective Services, the changes are as follows:

- An addition of an Administrative Assistant (1.0 Permanent FTE), a Business Development Manager (1.0 Permanent FTE), an Utilityperson II (1.0 Permanent FTE) and two Journeymen Apprentice Mechanics (2.0 Permanent FTE), in the Transit Department. These positions are required to successfully implement the department's strategic priorities.
- An addition of 2.3 Casual FTE in the Parks & Open Space Department to maintain those new parks and open spaces that were added to the inventory in 2009, as a result of new subdivision development or park upgrades.
- An addition of 0.9 Casual FTE in the Parks & Open Space Department to enhance the gopher control program.
- An addition of Licensing & Municipal Fines Coordinator (1 Permanent FTE) in the Fire & Protection Services Department to supervise the Licensing & Municipal Fines Clerks and Officers as well as overseeing the City's parking enforcement program.
- An addition for one year only of 0.9 Casual FTE in the Community Services Department for the operation of the Pasqua Recreation Centre. Funding for these positions will not continue beyond 2010.

In Public Works, the changes are as follows:

- An addition of a Semi-Skilled Labourer (0.25 Casual FTE) due to city growth creating an increase in solid waste garbage collection.

In Corporate Services, the changes are as follows:

- An addition of a Capital Analyst (1.0 Permanent FTE) – A dedicated position to assist in managing the $120 million of annual capital expenditures
- An addition of a Performance Reporting Analyst (1.0 Permanent FTE) – A dedicated position to internal financial reporting initiatives.
- An addition of a Database Analyst (1.0 Permanent FTE) – a position to help with the support and maintenance of the corporate databases.
- An addition of Technical Analyst III (1.0 Permanent FTE) – a position to provide support to infrastructure projects and after hour support and maintenance.
- An addition of a Policy & Strategic Analyst (1.0 Permanent FTE) – a position to support Corporate Services with policy and procedure development.
- A Coop Student to support the IT Department as a means of recruiting qualified IT staff (.4 Casual FTE)

In Planning & Development, the changes are as follows:

- An addition of a Permit Facilitator (1.0 Permanent FTE) – this position will allow the area to manage the growth in volume of permits.
- An addition of a Community Planner II and a Planner (2.0 Permanent FTE) – planning positions to support the growth in the City.
- An addition of a City Planner II and a Senior Planner (2.0 Permanent FTE) – these positions are required as Council has approved the action plan for the redevelopment of downtown, which requires additional staff. The Downtown Neighbourhood Plan also requires work to be done in bordering neighbourhoods. Funding this activity will increase service levels related to activities in the downtown and surrounding neighbourhoods.
- Term positions to support Planning & Development related to growth positions include Development Control Officer, Infrastructure Records Clerk, Customer Service Representative, Housing Coordinator and a Policy Analyst (5.0 Casual FTE).

For details in changes to the Regina Police Services staff complement, see the Regina Police Services 2010 Strategic Plan and Budget.

Ongoing and One-time

The net increase of 2010 ongoing and one-time over 2009 total $824,500. Ongoing refer to additions to the base budget that will also be required for future years. One-time refer to one-time requirements for the 2010 budget only. Ongoing and one-time are described in further detail in the divisional operating expenditure summaries in the following sections.

The total cost of ongoing is $1,709,000, while the cost of one-time is $2,944,500. The ongoing and one-time are aligned with City Council's Vision and the Corporate Strategic Plan.

One-time included in the budget that are funded entirely by external parties include:
- $37,000 for the Urban Aboriginal Leadership Program & Crime Prevention Week
- $277,500 for the West Nile Virus Mosquito Control Program

The total cost of these items is $314,500 and corresponding revenue has been included in the 2010 budget.

City Council and Committees

Overview

City Council is responsible for the governance of the City of Regina, subject to Provincial legislation. Members of City Council are elected every three years in a municipal election. The election was Wednesday, October 28, 2009. The Mayor is elected at large. The City of Regina uses a ward system for electing Councillors, with the city divided into ten wards and one Councillor elected in each ward. City Council establishes policies and budgets for the programs and services delivered by the City of Regina. City Council and Committees includes the budgets for:

- The Mayor's Office.
- City Council, including the remuneration of the Councillors, the Councillors' travel and communication allowance, support services and other costs related to City Council.
- Committees established by City Council.
- Memberships in various organizations, including the Saskatchewan Urban Municipalities Association and the Federation of Canadian Municipalities.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Mayor's Office(1)	598.3	540.5	**615.8**	17.5	2.9
City Council(1)	555.9	504.3	**532.1**	(23.8)	(4.3)
Committees	279.0	97.0	**142.5**	(136.5)	(48.9)
Corporate Memberships	124.2	105.8	**124.2**	-	-
Jinan Twinning	20.0	-	**20.0**	-	-
Total	1,577.4	1,247.6	**1,434.6**	(142.8)	(9.1)

Note:

1. City Council adopted Bylaw 2001-108 that established, effective January 1, 2002, a formula for the remuneration of the members of City Council. The Mayor's remuneration is 77.3% of a Provincial Cabinet Minister's salary for the prior year. The remuneration for a Councillor is one-third the remuneration of the Mayor.

By Expense Object

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Salaries & Benefits	1,023.1	841.4	**921.7**	(101.4)	(9.9)
Advertising & Media Related Services	39.7	30.5	**39.7**	-	-
Office & Administrative Expenses	453.3	339.5	**417.7**	(35.6)	(7.9)
Allocated Cost	61.3	36.2	**55.5**	(5.8)	(9.5)
Total	1,577.4	1,247.6	**1,434.6**	(142.8)	(9.1)

Staff Complement

Full Time Equivalents	**2009**	**2010**
Permanent	5.0	6.0
Casual	1.0	-
Total	6.0	6.0

Analysis of Operating Expenditure Budget Change

Details	**($000's)**
2009 Budget	1,577.4
1. Salaries and Benefits - includes cost changes resulting from merit increases, classification reviews, employer benefit costs and honorariums. (Base)	29.7
2. Remove 2009 Specials/One-time	(181.2)
3. City Council Parkade Fees (Ongoing)	12.0
4. Other Cost Changes - changes to budget based on actual expenditure trends.	(3.3)
2010 Budget	1,434.6

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Community Investments

Overview

Community investments are payments to individuals or organizations for a variety of purposes allocated through the following Committees:

- The Community & Protective Services Division, through delegated authority from the Community & Protective Services Committee, provides financial support to community associations and organizations that provide arts, cultural, recreation, community, and social services.
- The Finance and Administration Committee provides financial support for economic and promotional purposes.
- The Executive Committee provides financial support for special events as well as capital purposes to the Regina Exhibition Association Limited and funding to the Regina Regional Opportunities Commission (RROC). In 2009, Tourism Regina and Regina Regional Economic Development Authority amalgamated to form RROC. Funding for RROC in 2010 is at the same level of 2009 funding provided to the parent organizations.

City Council determines the total allocation for the year, and the allocation to each Committee.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Community & Protective Services Committee	3,301.7	3,089.1	**3,301.7**	0.0	-
Finance and Administration Committee					
Tourism Regina(3)	268.5	268.5	**-**	(268.5)	(100.0)
Canadian Western Agribition	45.0	45.0	**45.0**	-	-
Royal Red Canadian National Horse Show	10.0	10.0	**10.0**	-	-
University Industry Liaison Office	200.0	200.0	**200.0**	-	-
Henry Baker Scholarships	12.0	12.0	**19.0**	7.0	58.3
Saskatchewan Urban Municipalities Association	0.0	0.0	**5.0**	5.0	-
Sask. Association of Rural Municipalities	-	-	**5.0**	5.0	-
Sask. Association of Health Organizations	-	-	**3.5**	3.5	-
Sask. School Trustees Convention	-	-	**3.3**	3.3	-
	535.5	535.5	**290.8**	(244.7)	(45.7)
Executive Committee					
Evraz Place	400.0	400.0	**400.0**	-	-
Government House Foundation	20.0	20.0	**-**	(20.0)	(100.0)
Special Events	170.0	131.3	**170.0**	-	-
Corporate Sponsorship Program	30.0	24.9	**30.0**	-	-
IIHF World Junior Hockey	250.0	250.0	**100.0**	(150.0)	(60.0)
Special Event - RROC	-	-	**20.0**	20.0	-
Men's World Curling Championship	-	-	**190.0**	190.0	-
	870.0	826.2	**910.0**	40.0	4.6
Economic Development Investment Fund(1)(3)	534.4	534.4	**-**	(534.4)	(100.0)
Regina Regional Opportunities Commission(1)(3)	-	-	**802.9**	802.9	-
Wascana Centre Authority(1)(2)	2,251.0	2,251.0	**1,651.0**	(600.0)	(26.7)
Total	7,492.6	7,236.2	**6,956.4**	(536.2)	(7.2)

Note:

1. *These funds are administered through the Executive Committee.*
2. *Wascana Centre Authority has submitted a request for an increase of $66 thousand in operating funding and a continuation of capital infrastructure funding of $600 thousand. The City has committed to investing this $666 thousand incremental funding when the Provincial Government matches the Cities commitment.*
3. *In 2009, Tourism Regina and Regina Regional Economic Development Authority amalgamated to form the Regina Regional Opportunities Commission (RROC)*

Capital Funding

Overview

The City funds a portion of the General Capital Program through contributions from the operating budget. The operating budget also funds the repayment of debt costs for debt issued to fund capital projects. In accordance with Section 129(1) of *The Cities Act*, the budget is to include "**the amount to be transferred to the capital budget**". In accordance with Section 129(1)(b) the budget is also to include "**the amount needed to pay all debt obligations with respect to borrowings of the city**".

The contributions to capital include two components:

- The contribution to capital to fund the capital budget as submitted by the Board of Police Commissioners.
- The contributions to capital to fund the civic portion of the General Capital Program excluding the capital program for the Regina Police Service.

Further details of the 2010 General Capital Investment Program are summarized under each Division within this document, and detailed in the 2010 – 2014 General Capital Program document.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Contributions to Capital - Civic	12,604.0	12,604.0	**12,604.0**	-	-
Contributions to Capital - Police	1,052.0	1,052.0	**1,052.0**	-	-
Debt Charges	2,696.9	2,560.6	**4,563.0**	1,866.1	69.2
Total	16,352.9	16,216.6	**18,219.0**	1,866.1	11.4

Office of the City Manager

Mandate

The Office of the City Manager is Council's link to the Administration. The Office provides executive direction, strategic guidance, and governance support to the Corporation and its officials. It facilitates in the areas of government relations, strategic planning, communications, customer service and organizational effectiveness. The Office also provides advice and support on matters of municipal governance, strategy and protocol, and ensures the City operates according to its legislative requirements.

Overview

The management of the civic administration of the City of Regina (excluding the Regina Police Service) is the responsibility of the City Manager. Appointed by City Council, the City Manager's authority is established by the City Manager's Bylaw 2003-70 and the Regina Administration Bylaw 2003-69.

Within the overall structure of the Office of the City Manager are three departments: the Office of the City Clerk, the Office of the City Solicitor and the Office of Strategy Management.

- The Office of the City Clerk – ensures Council is advised of its legislative responsibilities, assuring the provision of public notice, the execution of corporate documents, attending all Council meetings, and maintaining minutes, safely maintaining all City bylaws; records related to the business of City Council and Committees. This office also provides legislative advice and support to all City Divisions, departments and branches concerning the public's right to access corporate information, the protection of privacy of individuals and the management and historical preservation of corporate records and information.

- The Office of the City Solicitor – provides legal services to the Corporation and ensures the City is administered in accordance with the law, as well as prosecutions and risk management.

The Office of Strategic Management includes the following branches reporting to the Chief of Staff:

- Communications – leads the development of communications and marketing programs and activities to help the corporation effectively communicate programs and services to the public as well as the City's partners and stakeholders.

- Government Relations – provides a central point of contact for ongoing relationships with stakeholders, including the Provincial and Federal Government, surrounding municipalities, other local governing bodies, Aboriginal organizations, SUMA, Federation of Canadian Municipalities, and "twinned" or partner municipalities.

- Service Regina – champions implementation of the City's customer service strategy and works to achieve the City's goal of providing excellent customer service to the community. The branch also includes the day-to-day provision of customer service, which includes in-person service delivery on the main floor of City Hall; and call centre operations, which provide information and services to customers for a broad range of city programs and services.

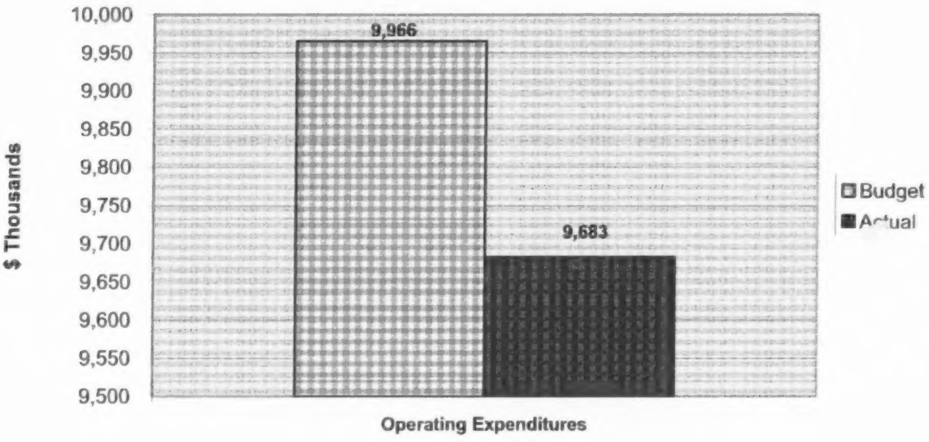
- Strategy & Performance Management – builds organizational capacity in the development, measurement, alignment and execution of corporate strategy by providing leadership and consultation for the use of corporate methodologies and tools, so that senior management is enabled to make informed choices and allocate resources effectively to meet the needs of the public; Units include Planning & Performance Measurement, PMO Portfolio Management Office and the Business Consulting Unit.

Key Facts

- In 2009, the City of Regina website, managed by the Communications Branch received more than 1,250,000 visits with an average of over four page views per visit. The 2009 citizen survey indicates that 46.4 per cent of Regina residents would use the website as their first choice when seeking information about City programs and services.
- In 2009, Service Regina received 189,948 calls, answering 177,963 of those calls. The average abandoned rate for 2009 was 4%, a full percentage point lower than the set grade of service standard. The Main Floor Customer Service area processed 107,270 transactions for a dollar value of $32.1 M.
- Administrative and procedural support was provided for City Council and 28 committees.
- In 2009, 284 agendas were created and delivered to elected officials and citizen members of committees. Administrative support was provided for an average of 24 meetings per month.
- To date, the Risk Management Branch of the Office of the City Solicitor has investigated 1,177 incidents and settled 99 third party claims and paid out a total of $86,640.68 in 2009.
- To date, the Prosecutions Branch of the Office of the City Solicitor has had 801 charges in court with fines assessed of $104,310.00 and has processed 10,043 default convictions for parking tickets in 2009.
- In 2009, 100% of the City of Regina's departments completed full three-year business plans aligned to the Corporate Strategic Plan. This process has ensured that City resources are targeted and focused to ensure improved ability to meet citizen and customer needs.

2009 Highlights

Financial Performance



Operational Highlights

- In 2009, the Strategy and Performance Branch was created from the amalgamation of Strategic Planning and Quality and Innovation. This new Branch also introduced a Project Management Office to provide central oversight to major initiatives of the City of Regina.

- The Strategy and Performance Branch introduced and implemented a new project management system to oversee the execution of priority initiatives for the City of Regina.

- The Strategy and Performance Branch supported business planning driven by the corporate strategic plan in four divisions, twenty departments and forty-five branches.

- The City of Regina is supportive of urban reserve creation and as such, looks forward to working with First Nation communities, through municipal service agreements, to advance and promote economic development that benefit our community as a whole.

- In 2009, Communications Branch finalized work on a major project to brand Regina in cooperation with community partners including Regina Regional Opportunities Commission, Regina and District Chamber of Commerce, Regina Downtown Business Improvement District and Regina's Warehouse District. The brand strategy and platform will help the community's marketing efforts to attract business, investment, visitors and residents to Regina.

- The Communications Branch in conjunction with ITS also created a "poll finder" that allowed citizens to find their poll station based on their address. The application was so successful that it was used by Service Regina for phone calls they received regarding Polling Stations.

- In 2009, Service Regina successfully led the corporate wide implementation of the Hansen 8 Customer Relationship Management Software. Service Regina also delivered the Corporate Customer Service Training, an integral part of the Corporate Customer Service Strategy. Customer Service delivery projects, such as the Service Request Process Review and the City Hall In Person Service (CHIPS) project, have maintained momentum with the Service Request Process Review expected to be completed by the 2nd quarter of 2010.

- The Office of the City Clerk led the 2009 Municipal/School Board Election. New innovations were introduced that provided greater opportunity for public involvement. Social media tools such as Facebook, Twitter and You Tube were used for their first time to keep the public informed of election happenings. Initial statistics show a positive reception to the use of these sites and provides a basis for future planning. The YouTube videos were viewed over 9,000 times, and Twitter content was used by media outlets in their reports. The above efforts resulted in the highest ever three-day total for page views to Regina.ca (161,691 page views from October 27 to October 29).

- The Office of the City Clerk continued to implement the recommendations of the Committee Structure Review in 2009. All appointments to the committees have been completed. Orientations for members are remaining on only two committees. Work planning sessions are well underway for 2010.

- The Office of the City Clerk developed a file structure for seven business areas, four are completed, and three are awaiting business area approval. There are 25,786 boxes of corporate records stored at the off-site storage facility, which is a 5% increase over 2008 indicating that a number of business areas have been trained on the inventory process and are actively working on it. The next step is to implement a regular records disposal process. There were 6,939 documents from various departments microfilmed in 2009. There has been difficulty in retaining staff for the micrographics position; therefore, there was a substantial reduction in what was accomplished in 2009.

- In July, the Office of the City Clerk created a new Access to Information and Privacy Coordinator position to promote awareness of corporate responsibilities under *The Local Authority Freedom of Information and Protection of Privacy Act,* to create policy and processes around access and privacy, coordinate responses to access requests and to provide guidelines for managing privacy within the corporation. In 2009, three training sessions were held with a total of 202 attendees.

- The Risk Management Branch of the Office of the City Solicitor renewed a contract with SunCorp Valuations for the appraisal of civic properties to ensure that the City's assets are insured to appropriate value.

- The Office of the City Solicitor provided legal support on a number of projects of strategic important for the City including the sale of Regina Pioneer Village to the Regina Qu'Appelle Health Region, the formation of the Regina Regional Opportunities Commission, the issuance of a number of debentures to finance major capital projects, and assisting the Assessment Branch in defending commercial tax assessments before the Board of Revision and the Saskatchewan Municipal Board

Strategic Priorities

The Office of the City Manager will initiate projects and activities both corporately and divisionally to support all of the Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. The 2010 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Divisional

- This Division is primarily focused on providing leadership and support for long-term asset and financial management strategies as they are developed primarily in other divisions.
- The Communications and Government Relations branches will play a significant role in communicating asset management requirements, including financing, to the public and to other orders of government.

Our Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes.
- Reliable water, wastewater, storm and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- Finalize implementation of a project management framework and processes for the City of Regina
- Implement a program of public opinion and program evaluation research to inform the establishment of corporate priorities and strategic and business plans

Divisional

- Ensure employees have the professional development support to adapt to rapidly changing needs

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Divisional

- This Division is primarily focused on providing leadership, support, and overall integration of the Community, Transportation, Infrastructure, Downtown, and Community Development Plans, being developed primarily in other divisions.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance vibrancy of downtown.
- Targeted community development activities within inner city neighbourhoods.
- A consolidated approach to providing community investments.
- A safe living and working environment for the community.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- Launch the new Regina community brand
- Adopt and formally implement the draft Public Engagement Framework.
- Provide improved service to citizens related to Freedom of Information requests, including background work to facilitate a move to online self –serve options.

Divisional

- Conduct a number of service reviews to identify improvements to customer service delivery, including hours of operation, payment methods, etc.

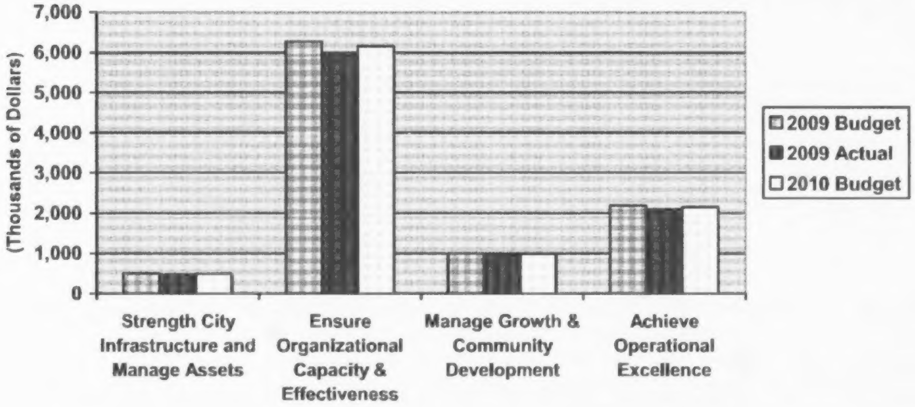
- Complete the City Hall main floor redesign to create an integrated single-window in-person Customer Service Centre.

Our Outcomes
- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the City Manager's Office has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format the City Manager's Office has summarized its operating budget as follows:

By Business Unit

Expenditures	2009 Budget	2009 Actual	2010 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Administration	989.5	992.9	**900.4**	(89.1)	(9.0)
Strategy and Performance(1)	565.1	600.5	**1,037.5**	472.4	83.6
Service Regina	1,028.3	954.2	**952.0**	(76.3)	(7.4)
Government Relations	121.4	118.0	**130.9**	9.5	7.8
Strategic Planning	570.8	390.5	**-**	(570.8)	(100.0)
Communications	1,862.1	1,836.8	**2,134.0**	271.9	14.6
City Solicitor's Office	2,955.9	3,026.0	**2,919.2**	(36.7)	(1.2)
City Clerk's Office	1,872.8	1,764.4	**1,699.3**	(173.5)	(9.3)
Total	9,965.9	9,683.3	**9,773.3**	(192.6)	(1.9)

Note:

1. The Strategy and Performance Branch was formerly the Quality & Innovation Branch. This branch was created from the amalgamation of Strategic Planning and Quality and Innovation.

By Expense Object

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Salaries & Benefits	6,891.3	6,284.7	**6,947.7**	56.4	0.8
Employee Related Payments	246.5	220.2	**226.7**	(19.8)	(8.0)
Office and Administrative Expenses	1,178.5	1,374.9	**1,208.4**	29.9	2.5
Professional Services	1,695.1	1,787.0	**1,425.8**	(269.3)	(15.9)
Office & Field Supplies	187.4	267.2	**171.1**	(16.3)	(8.7)
Utilities & Rentals	74.6	68.0	**66.6**	(8.0)	(10.7)
Other Expenditures	49.5	10.0	**49.5**	-	-
Allocated Cost	(357.0)	(328.7)	**(322.5)**	34.5	(9.7)
Total	9,965.9	9,683.3	**9,773.3**	(192.6)	(1.9)

Staff Complement

Full Time Equivalents (FTE's)	**2009**	**2010**
Permanent	83.5	83.5
Casual	3.3	1.3
Total	86.8	84.8

Note:
Budget and Actual numbers and the FTE's have been restated to reflect the current organizational structure.

Analysis of Operating Expenditure Budget Change

Details	**($000's)**
2009 Budget	9,965.9
1. Salaries and Benefits - includes cost changes resulting from merit increases, classification reviews, employer benefit costs and honorariums. (Base)	382.8
2. Other Expenditure Changes - changes to budget based on actual expenditure trends. (Base)	34.5
3. Community Branding Strategy Execution - Launch of the new Regina Brand (Infinite Horizons) in out of province markets. The goal is to attract business investment visitors and new residents (One-time)	275.0
4. Ward Boundary - to fund a review of current ward boundaries (One-time)	19.2
5. External Consulting Services (One-time)	75.0
6. Remove 2009 Specials - Primarily related to Consulting Services, Legal Services, and Advertising and Media Related Services. (One-time)	(930.8)
7. Reinvestments with various operational services.	(48.3)
2010 Budget	9,773.3

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Community & Protective Services Division

Mandate

Working together, we build, shape, and strengthen our community by providing services that meet the needs and expectations of the people we serve. We achieve this through public transportation, parks, open space, recreation, culture, community services, and fire and protective services.

Division Role

The Community & Protective Services Division provides a broad and diverse range of services, which ensure and enhance the quality of life for all residents, neighbouring municipalities, and visitors. The Division plays the following roles, often through strong effective partnerships:

- Provides opportunities for fun and enjoyment for individuals, groups and for the diverse interests of all ages and backgrounds.
- Designs, develops, and delivers programs that promote physical and psychological well being.
- Facilitates physical and mental development, health, and fitness.
- Builds community capacity to identify and respond to needs and issues, and that promotes equal participation in community life.
- Plans, designs, develops and maintains a diverse parks and open space and outdoor recreation system.
- Ensures safe, well maintained, and attractive living and working environments.
- Prevents, prepares for and responds to emergency situations that threaten people, property, and the environment.
- Ensures business continuity plans are in place.
- Assists in the management of both formal and informal public events and celebrations.
- Ensures access to public, private, educational and commercial facilities, services, activities, events, and programs through the provision of transportation services.
- Facilitates social development and inclusion strategies for all citizens including Aboriginal people, seniors, persons with a disability, youth, and economically disadvantaged residents.

The Division provides these quality of life elements within a safe, healthy, attractive, well maintained, and diverse urban landscape and in a safe, reliable, and affordable manner. The role of the Community & Protective Services Division contributes significantly to both achieving the City's aspiration to be a "vibrant, inclusive, attractive, and sustainable community where people live in harmony and thrive in opportunity" and to "Making Life Better" in this community.

Organizational Overview

The Division consists of four Departments and the Office of the General Manager. The Strategy Circle, the Division's leadership team, consists of the General Manager, four Directors, and the Manager of Strategic Services.

Office of the General Manager – Strategic and Business Services

This unit provides strategic advice and input to the Division's leadership, assists in realizing the corporate strategic plan and the identified corporate and divisional strategic priorities, and supports cross-departmental and cross-divisional functions.

- Provides administrative and clerical support to the Division and co-ordinates administrative standards throughout the Division
- Provides a range of strategic and business services to the Division and Departments, such as process improvement and change initiatives, policy research and development, guidance and support for the implementation of corporate initiatives, Division communication, budget coordination, and project management for special projects.
- Ensures coordination between Division initiatives and actions and the corporate support based areas.

Community Services Department

This department's mandate is to make life better through community development services that contribute to building strong communities and neighbourhoods. The department has identified three core service areas to fulfil this mandate.

Facility, program and special event provision

- Develops plans to provide sport, culture, recreation and community facilities directly and through partnerships;
- Leads and facilitates open space planning processes and projects, using a community engagement approach;
- Provides programming and operates city-wide, community destination and neighbourhood hub facilities (including arts and culture facilities, fitness and aquatic facilities, outdoor sport and recreation facilities, arenas and skating rinks, community and neighbourhood centres);
- Coordinates sport, culture and recreation special events, such as competitive events, festivals, concerts, and community events.

Community capacity building

- Provides consulting services to sport, culture and recreation organizations, neighbourhood based associations, and organizations with a social development mandate;
- Provides community investments to enable community based organizations to fulfill their mandates where the investment helps the City to achieve its vision and strategic priorities.

Community engagement and leadership

- Provides leadership and support to help communities to identify and address issues such as crime prevention, poverty reduction, and graffiti management;
- Leads or provides leadership for collaboration and partnerships with other levels of government, private and non-profit sectors to address community and social issues and to provide sport, culture and recreation facilities.

Parks & Open Space Department

This department enriches the lives of Regina residents by providing excellence in parks and open space management. Simply stated, we make life better for people in Regina.

- Plans, designs, develops and maintains an extensive and diverse park and open space system consisting of attractive landscapes, the urban forest and outdoor recreation facilities, including the multi-use pathway system, athletic fields and playgrounds.
- Provides pest control services to ensure human health and safety.
- Protects and maintains the health of the urban forest.
- Maintains the City-owned golf courses and operates City-owned cemeteries.

Fire & Protective Services Department

This department delivers dynamic response and community-based programs to preserve and enhance life, property and the environment.

- Develops and implements plans and procedures to manage emergency situations and special public events.
- Undertakes prevention and public education programs related to fire, natural disasters, and other emergency/crisis situations.
- Monitors, inspects, and investigates activities and development processes to ensure consistency with City bylaws and policies, federal and provincial acts and regulations.
- Provides fire suppression, emergency response and rescue.
- Provides business continuity, emergency planning and management.
- Provides bylaw enforcement services.
- Manages licensing and municipal fines.

Transit Department

This department is committed to providing professional, accessible, urban transit services to customers through building and maintaining strong partnerships within the community.

- Provides conventional transportation through a regularly scheduled, fixed route public transit system.
- Provides specialized transportation for persons with disabilities and the elderly, who are unable to use conventional public transit through scheduled, shared ride, door-to-door service.
- Provides charter service within a 25-kilometre radius of the city for events including conventions, Football Express and the Ding in the New Year service.
- Provides transportation for emergency situations.
- Provides full service maintenance, call centre and administrative support services.

Key Facts

- The Division operates three major recreation facilities (Sportplex with the Lawson Aquatic Centre and Fieldhouse, Sandra Schmirler Leisure Centre and Northwest Leisure Centre) which provide sport and fitness opportunities to more than 1,000,000 customers per year.

- The Neil Balkwill Civic Arts Centre provides arts and culture opportunities to more than 70,000 customers per year.

- The Division operates five outdoor pools that offer instructional and recreational opportunities to more than 100,000 customers per year.

- The Division manages 8 indoor arenas, 22 boarded outdoor ice sites, 42 pleasure skating sites (no boards), 2 pleasure skating lake sites, and an outdoor speed skating oval to provide winter recreational and competitive opportunities for residents of Regina.

- The Division provides access to facilities such as Mosaic Stadium at Taylor Field, 179 ball diamonds and 94 athletic fields (e.g. soccer, football, field hockey, lacrosse, rugby, lawn bowling greens) which facilitates recreational, training, and competitive opportunities for approximately 25,000 participants annually.

- The Division operates six neighbourhood recreation centres, which serve approximately 370,000 customers per year. Partnership arrangements govern the support to five community operated centres and two senior's citizen centres. These 13 facilities provide low cost, accessible recreational, social, and educational opportunities for residents of all ages and interests.

- Regina has one of the most extensive municipal park and open space systems in Canada, providing 11.4 ha of parkland per 1,000 people for a total of 2,100 ha.

- Regina has an urban forest comprised of more than 130,000 city-owned trees, which must be nurtured and protected. The Community & Protective Services Division successfully kept our 2009 tree losses, due to disease and insect infestations, to less than 1% of the total inventory.

- The Division maintains 6/10 minute response objective for fire response.

- The Fire & Protective Services Department responds to a five-year annual average of 5,900 total deployments (which includes non emergent investigations and public education and training) and an average of 3,500 emergency dispatches for fire suppression, emergency medical assistance, hazardous material mitigation and rescue incidents.

- The City owns and operates a fleet of 105 conventional transit buses including 43 full accessible, low floor buses. These buses travelled approximately 5,500,000 km to provide service to 7,600,000 customers in 2009.

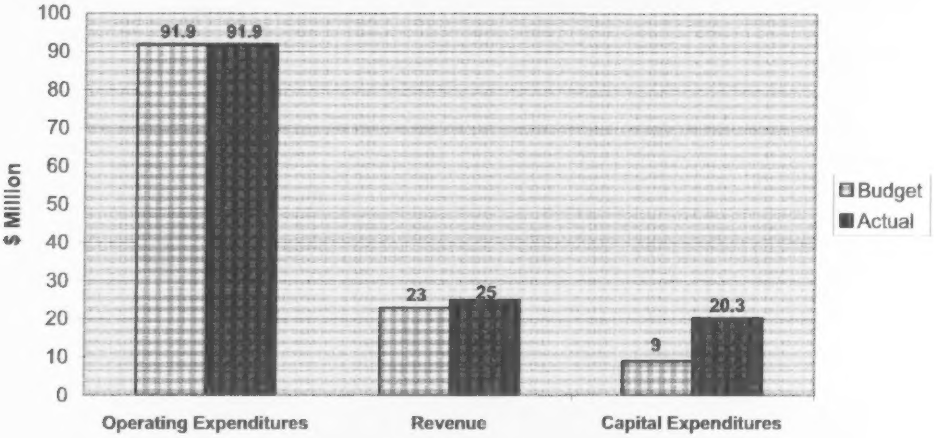
- Paratransit services are provided annually, averaging 184,000 passengers travelling 1,200,000 km per year over the last five years.

- The Division manages the Civic Art Collection, which includes 340 pieces with a current value of approximately $1,871,000.

- The Division manages the community investment programs, through which funds are distributed to over 170 non-profit groups to assist with building community capacity to provide arts, culture, sport, recreation, community and social development programs.

2009 Highlights

Financial Performance



Operational Highlights

The level of public satisfaction with the services delivered through the Division remains high. This is evidenced by the Division's high ratings in the City's 2008 Omnibus Survey.

Other 2009 accomplishments of the Division include the following:

Community Services Department

- A Recreation Facility Plan was developed through an extensive research and consultation process that involved 20 key stakeholders, 75 user groups, 26 community associations, five zone boards, and two advisory committees, as well as public open houses. The plan will be presented to Council in April 2010.
- The partnership with Regina Exhibition Association Ltd. to construct six multi-purpose arena facilities was further developed. These facilities opened in mid-December to host the World Junior Hockey Championships, and are now available for public use.
- Planning of the North Central Shared Facility project also progressed, with the development of concept plans and partnership discussions with a diverse group of partners. The initiative, which will provide integrated cultural, social, educational, recreation and health service programming in a shared facility, will require financial support from all levels of government. Detailed plans are expected to be developed in 2010.
- A partnership with the Regina Public Library was established to relocate its Prince of Wales Branch to the Core Ritchie Neighbourhood Centre. Construction will begin in 2010. The City is also exploring opportunities to enhance its facility to better satisfy contemporary programming needs and to provide opportunities for integrated programming with the library branch.
- A partnership has been developed with Regina Minor Football, Regina Soccer Association and Wascana Centre Authority to install artificial turf and construct a new support building at Douglas

Park. Contributions from Regina Minor Football and Regina Soccer Association have also enabled the City to leverage funding from the federal and provincial governments to enable the City to move forward with the project in 2010.

- Several high level tournaments and special events were hosted at City facilities this year. Most notable were the AC/DC concert at Mosaic Stadium, the Western Canadian Diving Championships, the national wrestling championships and the national team handball championships.

- Several cultural and public art initiatives were untaken, including installation of the *"Regina Lace"* an immigrant sculpture in Queen Elizabeth II courtyard in front of City Hall and an art sculpture at the Regina Skate Plaza in Wascana Park.

- Community investments were allocated to 199 organizations with mandates that are aligned with the City's priorities, particularly in the areas of community, cultural, social and economic development.

- Progress was made on crime prevention, inclusion and other strategies to address social issues. A highlight was the first Accessible Parking Awareness Day, which was initiated by the Mayor's Task Force on Access.

- The City of Regina hosted the Saskatchewan Parks & Recreation Association's annual provincial conference.

Parks & Open Space Department

- Overall, the weather in 2009 was conducive to a number of key Parks & Open Space programs and projects. Below-normal standing-water conditions in the spring and summer reduced the number of potential mosquito breeding sites, enabling crews to be very effective with the result that mosquitoes, and more importantly, West Nile Virus, were not an issue in 2009.

- The golf courses, and specifically the greens, emerged from winter in excellent condition and remained so throughout the season. The number of rounds of play was up over the past number of years.

- Based on indications from our monitoring of cankerworm bands, we expected a devastating cankerworm outbreak, similar to 2008. Additional funding in the 2009 Operating Budget for an enhanced control program, coupled with cool spring weather enabled us to deliver a highly successful cankerworm control program.

- A cooler than normal summer resulted in parks, as well as non-irrigated open spaces, remaining green throughout the summer. In the fall, three parks in northeast Regina (Imperial, St. Anne and Dover) received significant upgrades including play structures, walkways, irrigation and trees.

- Acting on the recommendations of a Crime Prevention Through Environmental Design (CPTED) audit, shrubs were removed from the east and west edges of Victoria Park. Above-average temperatures in November enabled Parks & Open Space staff to install sod, which was being removed from a sports field in University Park, to complete the transformation.

Transit Department

- The Department was able to continue to modernize the conventional bus fleet. Four new fully accessible low floor Nova buses were received in 2009. The Department plans to have a fully accessible fleet by 2016.
- The successful "Campus Express" service will continue in 2010. This service is meeting a public request to provide transportation for students, staff, and visitors from various parts of the city to the University of Regina, Innovation Place, and SIAST.
- Sunday transit service was modified in August to provide extended hours of service to enable passegers to attend church service and get to and from work. This change was done to address requests from passengers for the service to start earlier in the morning and end later in the afternoon. The service change was accomplished without an increase in the operating budget.
- Regina's public transit continues to help move residents and visitors for special times and events, such as concerts and "Ding-in-the-New-Year" with a professional driver at the wheel. Football Express, the special service provided to the Saskatchewan Roughrider games, continues to gain in popularity. Charter services are provided to destinations within 25-kilometres of the city.
- In 2009, the regular bus fleet travelled just over 5,500,000 kilometres and the Paratransit fleet travelled 1,200,000 kilometres.

Fire & Protective Services Department

- Public satisfaction with fire services remains among one of the highest according to the 2009 Omnibus survey. The number of annual responses to fire, emergency medical, traffic accidents, vehicle extraction, technical rescues, and hazardous materials mitigation can be described as consistent and stable.
- Implementation of mobile computer-aided dispatch technology in emergency response apparatus provides real time data to emergency response crews and contributes to the Department's ability to continue to meet the City's 6/10 minute response objective over 90% of the time.
- Fire and life safety education programs were targeted at high fire risk areas in the North Central, Core, and Al Ritchie inner city neighbourhoods. These programs were undertaken through partnerships with the Regina Police Service, Bylaw Enforcement, Public Works, the two school boards, and the Health Region's Child and Youth Services Section.
- The Business Continuity program led the development of the corporate Influenza Pandemic Plan
- Construction of new #4 fire station began which will incorporate green energy and innovative features that will make this facility one of the most energy efficient buildings in the City. This station will be located on the corner of Dewdney Avenue and Princess Street.
- Training has continued to be a priority for all aspects of fire services. There were thirteen new firefighters recruited, trained, and assigned to platoons for active duty.
- Handheld technology continues to be used by the commissionaires for the issuance of parking tickets. The technology will be expanded in 2010 to Bylaw Enforcement personnel for parking enforcement during street sweeping and snow removal activities.
- An online parking ticket payment option was launched in 2009. The uptake of this service is approximately 20% of parking ticket payments.

- A consolidated Animal Control Bylaw was created, eliminating three separate bylaws for cats, dogs and dangerous dogs.
- Bylaw Enforcement was successful in obtaining voluntary compliance in over 98% of closed cases.

Strategic Priorities

Our ability to deliver on priorities and actions that address our opportunities and challenges is shaped by a number of key factors. Collectively, we recognize the importance of being flexible and dynamic in our approach to customer service, future planning, operations and administration. To achieve success, open, transparent, and timely communication both internally and externally is paramount. The Community & Protective Services Division staff are seen as leaders in the community and we recognize the significant level of experience, enthusiasm and expertise of the staff within the division. Our work is focused on leading change, cultivating relationships and creating an ongoing environment for change through "Building, Shaping and Strengthening" the division and the community.

Achieving the corporate priorities requires that specific priorities and actions be identified within each division. These key areas of focus form part of the "Line of Sight" that connects the activities of the employees to the strategic priorities and to our overall vision.

The 2010 Divisional Budget allocates the financial resources to areas that best enable us to deliver on these priorities which are summarized below. The underlying outcome for the work of this Division is "Making Life Better".

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- Work continues, using the Corporate Asset Management Framework as a backdrop, on the evolution of long-term asset management plans for the tangible assets.
- The Division will be directly involved in the development of a long-term Technology Plan for the Corporation that focuses on supporting our workforce and operational needs.
- The accounting and reporting of tangible capital assets continued throughout 2009, setting the foundation for the financial management of these assets for 2010 and beyond.

Divisional

- Within the City's overall Facilities Management and Revitalization Plan, work will continue on the implementation of the recommendations within the Recreation Facility Plan. This plan provides direction to address renovation, upgrade, and expansion of sport, culture and recreation facilities, as well as the planning and development of new facilities to meet the needs of residents and visitors.
- The initiation of the comprehensive Parks Condition Assessment will occur in 2010 in order to quantify the gap between existing and desired condition of parks and open space assets.
- Continued partnership with organizations to renew Mosaic Stadium, provide community access to the multi-purpose arenas at EVRAZ Place and to further explore the development of the North Central Shared Facility, which will be the first of its kind anywhere in the world.
- The Division will continue to ensure appropriately researched and effectively developed fees and charges for its programs and services.
- Each of the Division's four Departments is pursuing the application of enhanced technology for the delivery of programs and services ranging from e-learning, to GPS monitoring systems, to

systems for booking facilities or registering for programs, through tp the addition of electronic fare boxes and real time customer information.

- Fleet review strategies and plans are underway as we focus on upgrading, refurbishing or replacing equipment and vehicles in a planned way and as we identify purchasing needs to accommodate growth.

Our Outcomes

- An appropriate number and variety of up-to-date, high quality, safe, functional, affordable, and efficient, facilities for sport, culture and recreation.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest, and urban landscapes.
- Revitalized facilities, fleet and equipment that meet the needs of staff and the community.
- Appropriate and efficient application of technology.
- Effective financial management and fiscally responsible approaches.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- The development of employee participation initiatives that promote two way communication, involvement in process improvement and regular employee engagement surveys.
- The further development and enhancement of the Corporate Scorecard.
- The Division will participate in the corporate Workforce Diversity Program team and Aboriginal Employment Development Program (AEDP) which is focussing on strengthening Aboriginal patrnerships and increasing Aboriginal representation in the City's workforce.

Divisional

- Work continues on the cascading of business planning at the branch level within each Department with to build the "line of sight" to the Corporate Strategic Plan and guide us in meeting the strategic directions of the corporation and the Division.
- The development of Divisional and departmental specific performance measures that draw comparisons with industry standards.
- The development of Divisional and Departmental Customer Service Plans that are in alignment with the Corporate Customer Service Strategy and the corporate definition of a contemporary workplace.
- Work on ensuring a strong corporate plan for emergency preparedness and business continuity including plans for corporate response to extraordinary events and the maintenance of critical services.
- Finalization of re-organization at the branch level with an emphasis on coordination and alignment to improve our ability to be proactive to citizen's needs.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable, and engaged employees, supervisors and managers.
- A representative workforce.
- Balanced emergency response coverage and highly trained responders.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- The Division will lead the development of a Community Development Model that identifies priorities for the City's level of support to community organizations. The Community Development Model will include a needs assessment and will make recommendations specific to community investment and support services to organizations.

Divisional

- The Division will assist in the development and implementation of a new Official Community Plan, the Downtown Plan, and Neighbourhood Plans, in the context of the four pillars of sustainability: economic, environment, social and culture, and align our work with these plans.
- The Division will complete the Standards of Cover analysis for the Fire Service.
- The Division will participate in both the Master Transportation Plan and the long-term infrastructure plan for the corporation.
- The Division will initiate the implementation of the recommendations within the Transit Investment Plan.

Our Outcomes

- Targeted community development activities within inner city neighbourhoods.
- Long-term infrastructure plans and their implementation.
- Enhanced vibrancy of the downtown.
- Increased pedestrian, bicycle and public transit use.
- Identify community risk capacity and develop a plan to address gaps.
- A safe living and working environment for the community.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- To augment the core customer service training that will be delivered corporately, the Division continues to develop and deliver customer service training programs that are tailored to the specific needs of employees.
- The Division will utilize the Corporate Public Engagement Framework to ensure consistency in how the community is engaged. This framework will advance work in community development and assist in program and service improvements for all customers.

Divisional

- The implementation of the recommendations within the Transit Investment Plan will also address customer satisfaction, enhanced service delivery and operational excellence.
- Ongoing program and service delivery review, including process evaluation and mapping, stress our commitment to continuous evaluation and customer focused approaches.
- Provide program support to the Vancouver Olympic Committee Torch Relay event in Regina and lead the development and implementation of a legacy project.
- Implement a new program for the inspection of apartment buildings.

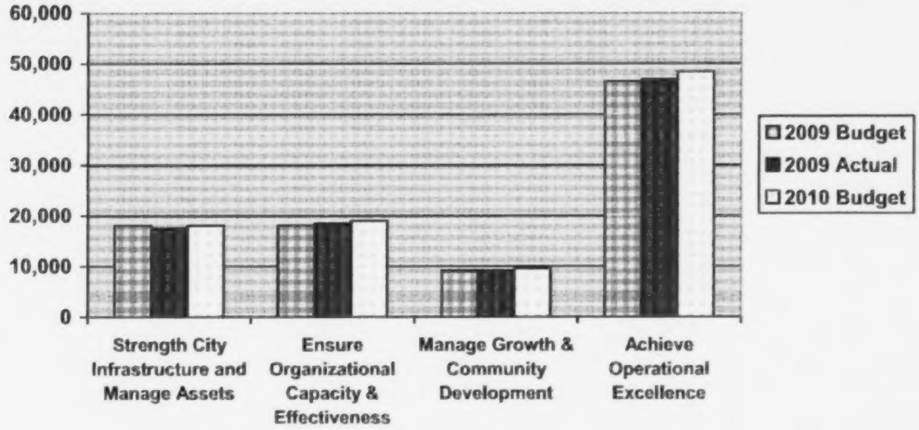
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities the Community & Protective Services Division has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format, the Community & Protective Services Division has summarized its operating budget as follows:

By Business Unit

				Budget Change	
Expenditures (000's)	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Community & Protective Services Administration	620.9	674.6	**733.6**	112.7	18.2
	620.9	674.6	**733.6**	112.7	18.2
Community Services Department					
Business & Infrastructure Planning	969.2	1,011.9	**1,020.2**	51.0	5.3
Community & Cultural Development	1,653.0	1,523.6	**1,720.3**	67.3	4.1
Facilities & Energy Mgmt Costs	617.8	638.8	**627.0**	9.2	1.5
Leisure Services	4,471.6	4,348.2	**5,432.8**	961.2	21.5
Parks and Open Space Mgmt Costs	941.9	794.0	**864.6**	(77.3)	(8.2)
Facilities and Energy Mgmt Costs	7,190.1	7,455.2	**7,332.1**	142.0	2.0
	15,843.6	15,771.7	**16,997.0**	1,153.4	7.3
Parks & Open Space Department					
Cemeteries	968.4	974.1	**997.8**	29.4	3.0
Facilities & Energy Mgmt Costs	56.0	39.5	**55.9**	(0.1)	(0.2)
Golf Courses	2,213.1	2,291.6	**2,268.5**	55.4	2.5
Facilities & Energy Mgmt Costs	365.1	361.0	**357.8**	(7.3)	(2.0)
Parks & Open Space Mgmt	11,064.4	10,611.3	**10,939.6**	(124.8)	(1.1)
Facilities & Energy Mgmt Costs	524.3	534.1	**603.0**	78.7	15.0
	15,191.3	14,811.6	**15,222.6**	31.3	0.2
Fire & Protective Services Department					
Business Continuity & Emergency Planning	174.7	255.7	**181.9**	7.2	4.1
Bylaw Enforcement	4,290.7	4,367.0	**4,594.7**	304.0	7.1
Fire Services	30,712.4	31,756.4	**31,624.6**	912.2	3.0
Facilities & Energy Mgmt Costs	436.0	474.4	**432.8**	(3.2)	(0.7)
	35,613.8	36,853.5	**36,834.0**	1,220.2	3.4
Transit Department					
Conventional Transit	19,949.9	19,044.0	**20,452.6**	502.7	2.5
Paratransit	3,865.2	3,855.1	**3,827.8**	(37.4)	(1.0)
Facilities & Energy Mgmt Costs	830.7	896.4	**837.5**	6.8	0.8
	24,645.8	23,795.5	**25,117.9**	472.1	1.9
Total	91,915.4	91,906.9	**94,905.1**	2,989.7	3.3

By Expense Object

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Salaries & Benefits	62,595.5	61,274.7	**64,789.9**	2,194.4	3.5
Facilities and Energy Mgmt. Costs	10,020.0	10,418.1	**10,246.1**	226.1	2.3
Allocated Fleet Costs	3,350.3	3,130.6	**3,216.6**	(133.7)	(4.0)
Fuel & Gas	2,978.2	2,345.3	**2,969.2**	(9.0)	(0.3)
Paratransit Services	2,703.8	2,775.7	**2,703.8**	-	-
Vehicle Replacement Parts	900.5	1,160.7	**900.5**	-	-
Provincial Admin. Fee (Fine Revenue)	687.5	820.1	**687.5**	-	-
Contracted Services	571.2	357.5	**255.7**	(315.5)	(55.2)
Other Expenditures	8,108.4	9,624.2	**9,135.8**	1,027.4	12.7
Total	91,915.4	91,906.9	**94,905.1**	2,989.7	3.3

Costing Fund

Expenditures	**2009 Budget**	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Community Services:					
Open Space - Landscape Trades	**1,357.4**	1,390.2	**1,457.6**	100.2	7.4

This operation provides landscape construction services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Staff Complement

Full Time Equivalents (FTE's)	**2009**	**2010**
Permanent	689.5	695.5
Casual	176.4	177.1
Total	865.9	872.6

Analysis of Operating Expenditure Budget Changes

	Details	($000's)
	2009 Budget	91,915.4
1.	Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)	882.7
2.	Salaries & Benefits - estimated increase arising from negotiated agreements. The City is currently in negotiations with its bargaining units. This amount is an estimate only. (Base)	1,869.8
3.	Kennelling Contract - Anticipated increase in the contract with the Regina Humane Society for the removal and kennelling of stray animals. The current contract ends on December 31, 2009 and a new agreement is being negotiated. (Base)	130.6
4.	Fire & Protective Services - Provincial Fines Administration Fee. The 2010 budgeted revenue from Provincial Court Fines has been increased by $350,000. There is an Administration Fee of approximately 25% associated with this revenue. Consequently, the budgeted Administration Fee expense for 2010 has also been increased. (Base)	87.5
5.	Anticipated increase in allocated Water Costs for open space irrigation - Costs allocated by the Water & Sewer Utility. (Base)	41.7
6.	Parks and Open Space - Holy Rosary Park Lease. To maintain the minimum amount of preferred amount of neighbourhood space indicated in the Open Space Management Strategy the City has been using .33 ha of private property at Holy Rosary Park for the Cathedral Neighbourhood. This property had been owned previously by various religious orders and since the early 1980's an agreement had been in place for use of the property for public park. Ownership of this private property has changed to the Early Learning Centre and after extensive negotiations the City has a new long term lease for the private property portion of the park. The lease fee is $10,000 per annum. (Base)	10.0
7.	Increase in allocated Computer Lease & Output Device costs - Costs allocated by Corporate Services. (Base)	6.1
8.	Transit - Staffing Realignment (5.0 FTE): Realign funding currently allocated to overtime to create permanent positions required to successfully implement the branch's strategic priorities. The positions are: one (1) Administrative Assistant, one (1) Business Development Manager, one(1) Utilityperson II and two (2) Journeymen Apprentice Mechanics. (Base)	232.7
9.	Transit - reduction in projected overtime expense. (Base)	(232.7)
10.	Decrease in allocated Fleet costs - Costs allocated by Corporate Services. (Base)	(130.5)
11.	Increase in costs allocated by Facilities Management Services. (Base)	226.1
12.	Transit - Campus Express (9.0 FTE): Continuation of Campus Express Service to the University and SIAST after completion of the Pilot Project. (Ongoing)	662.4
13.	Parks & Open Space - Maintenance of New Open Space (2.3 FTE): Funding to maintain the new park(s) and open space(s) which were added to the inventory in 2009, as a result of new subdivision development or park upgrades. Maintenance activities include irrigation, turf, playgrounds, tree and shrub maintenance as well as maintenance of furnishings, pathways and other surfaces. This request for additional funds includes the cost of labour, equipment, utilities (water) and materials. (Ongoing)	99.1

Details	**($000's)**
2009 Budget	91,915.4
14. Parks & Open Space - Increased Gopher Control (0.9 FTE): In July of 2009, Council brought forward a motion for Administration to enhance its gopher control program. As the City expands there will be an increase of public pressure to address gopher concerns in these new areas. In addition, gopher issues remain within the City. Increasing the funding for this program will reduce gopher damage in areas of high level maintenance, such as sportsfields where there is high risk to injuries. As well, this enhanced level of service will help "push" gopher populations to the outer perimeter of the City. (Ongoing)	64.5
15. Fire & Protective Services - Licensing & Municipal Fines Coorodinator (1 FTE): This position will be responsible for supervising the Licensing & Municipal Fines Clerks and Officers as well as overseeing the City's parking enforcement program. This position will be involved in reviewing the City's parking enforcement process and overseeing the chosen solution. The Coordinator will also be responsible for escalated issues associated with business licences, taxi licensing, animal licensing and parking permits. The addition of a resource dedicated to the successful implementation of the City's parking ticket enforcement will result in an increase in revenue from the collection of outstanding parking fines. Consequently it is anticipated that this cost will be offset by an increase in fine collection revenue of $100,000. (Ongoing)	46.8
16. Community Services - Enhanced Arena Program: The Regina Exhibition Association and the City of Regina developed a partnership to address aging infrastructure, provide exhibit space to promote Regina as a host of major events and to address the need for improved arena facilities. The Cooperator's Arenas, which is a six multi-purpose arena facility opened to the public in January of 2010, provides ice users with additional prime time ice that they have not had in the past. This expense will be partially offset by an anticipated increase in ice rental revenue of $500,000. (One-time)	1,000.0
17. Fire & Protective Services - Hazmat Training: The department provides hazardous materials response to the community and surrounding area. There is an increased presence of hazardous goods in and around the City. This training will give the Hazmat Technician(s) the skills and abilities needed to operate in the "Hot Zone" which results efficient and effective materials handling and containment. This cost will be partially offset by the receipt of a $40,000 grant under the auspices of the Joint Emergency Preparedness Program. (One-time)	80.0
18. Community Services - Pasqua Recreation Centre (0.9 FTE): The operating budget for the Pasqua Neighbourhood Recreation Centre was reduced by 50% during the preparation of the 2009 budget. At that time, it was recommended that this Centre be closed in June, 2009. Subsequent to the budget process, a decision was made to keep the Centre open and that the City's future involvement in this Centre would be a consideration in the City's Recreation Facility Plan. The 2010 expense represents the restoration of the centre's budget to 100% so that sufficient funding is available to operate the centre for the entire year. (One-time)	45.0
20. 2010 Reinvestments.	(736.8)
21. Delete 2009's One Time Expenses.	(1,372.4)
22. Other cost changes.	(22.9)
2010 Budget	94,905.1

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time Expense request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Community & Protective Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

By Strategic Priority

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Strengthen Infrastructure & Manage Assets	7,009.1	18,456.2	**8,805.0**	1,795.9	25.6
Ensure Organizational Capacity & Effectiveness	179.7	172.1	**165.0**	(14.7)	(8.2)
Manage Growth & Community Development	1,617.5	1,549.1	**600.0**	(1,017.5)	(62.9)
Achieve Operational Excellence	179.7	172.1	**370.0**	190.3	105.9
Total	8,986.0	20,349.5	**9,940.0**	954.0	10.6

By Business Unit

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Community Services	771.0	640.7	**4,568.0**	3,797.0	492.5
Parks & Open Space	1,150.0	3,861.7	**1,427.0**	277.0	24.1
Fire & Protective Services	25.0	244.4	**535.0**	510.0	2,040.0
Transit	6,490.0	2,846.6	**2,910.0**	(3,580.0)	(55.2)
Other	550.0	12,756.0	**500.0**	(50.0)	(9.1)
Total	8,986.0	20,349.4	**9,940.0**	954.0	10.6

Summary of Capital Investments

		($000's)
1.	Recreation Facility Plan - Douglas Park Leibel Field Upgrades	3,300.0
2.	Recreation Facility Plan - Core Ritchie Upgrade	850.0
3.	Transit & Paratransit Buses	2,770.0
4.	Urban Development Agreement	500.0
5.	Open Space Restoration - restoration of neighbourhood parks as recommended by the Open Space Management Strategy.	827.0
6.	Other projects including recreation equipment, irrigation, outdoor play amenities, outdoor athletic surfaces, cemeteries, golf courses, etc.	1,693.0
2010 Capital Budget		**9,940.0**

Public Works Division

Mandate

"We ensure the City's municipal infrastructure systems are adequately preserved, resourcefully funded, and effectively operated. We are dedicated to implementing best practices that advance safety, consistency, efficiency, reliability, and customer service. Specifically, we preserve and operate municipal infrastructure involving roadways, traffic, water, drainage, waste water, and solid waste to meet regulatory requirements and community needs."

Overview

The Public Works Division was created as part of the 2008 corporate restructuring to provide infrastructure management and services that are essential to the quality of life in our community. In an effort for the City to become the best-run municipality in Canada and fulfill our mandate, Public Works has recently restructured in the following functional departments and offices: Roadway Operations Department, Transportation and Material Services Department, Environmental Services Department, Water and Sewer Services Department; and the Office of Strategic and Business Services. Mandate and statements for each area follow:

- **Roadways Operations Department** – construct and maintain roadways, walks and alleys to enhance safety and reliability of the transportation system.

- **Transportation and Material Services Department** – provide diverse transportation services to customers and are dedicated to traffic safety and infrastructure preservation.

- **Environmental Services Department** – design, construct, operate and maintain wastewater treatment, solid waste management and environmental services to Regina and surrounding communities, and engineering, design and construction services to Buffalo Pound Water Treatment Plant. This is to protect public health and enhance the quality of life.

- **Water and Sewer Services Department** – design, construct, operate, and maintain water, wastewater and drainage systems to Regina and surrounding communities. These essential services protect public health and property.

- **Office of Strategic and Business Services** – provides the foundational services for the division so that the departments are equipped to achieve their results and are connected and aligned corporately.

Note:
The water, wastewater and drainage services are delivered through the Water and Sewer Utility Budget and are not included in the General Operating Budget.

Key Facts

- Regina's Roadway Network Inventory consists of 942 kilometres paved roads, 40 kilometres of gravel roads, 1340 kilometres of sidewalks, 172 kilometres of paved alleys, and 132 kilometres of gravel alleys.
- Under the Winter Road Maintenance Program, the Roadway Operations Department is responsible for snow plowing, snow removal and ice control on the roads, alleys, and sidewalks of the City of Regina.
- The City's transportation network includes 36 bridge or overpass sites, including eight rail overpasses, nine grade separations and bridges, 18 water overpasses and one pedestrian overpass.
- The average pavement age of the expressway/arterial network is 10 years, the collector network is 9 years, and the local network is 26 years.
- The City of Regina maintains a total inventory of 7,362 m of safety barriers including 3,000 m of Box Beam, 4,000 m of W-Beam, 330 m of Thrie Beam and 320 m Cable Barrier.
- The City has 171 signalized intersections, 9 pedestrian half signals, 69 pedestrian corridors, and 820 expressway lights.
- The City asphalt plant produced 66,400 tonnes of hot mix asphalts in 2009 at the total cost of $4,623,000. This cost includes cost of materials, labour, equipment and energy to produce asphalt mixes and maintain the plant, as well as management cost and funds transferred to asphalt plant reserve for future plant upgrades. In 2009, the City's asphalt supply price was approximately 15% less than private contractor's asphalt supply price. The plant also produced 1,750 tonnes of cold mix and 260 tonnes of dry sand.
- The bulk materials operation provided 142,000 tonnes of granular and landscape materials to various City branches and public agencies. Recycled materials constituted 50% of bulk materials sold. In addition, 63,000 tonnes of materials was processed for the needs of asphalt plant. 20% of that material was the steel slag, the waste by-product of steel production.
- Testing Lab and Field Services section provided 224 full asphalt test, 532 sieve analyses, 572 asphalt density field tests and over 3,000 hrs of concrete placement and paving inspection to ensure that materials and construction techniques meet City specifications.
- In 2009, the total amount of material disposed of at the landfill was 585,700 tonnes. This amount was made up of three main categories: 37% garbage, 48% dirt, 15% recycled concrete, and concrete/asphalt.
- The landfill processed 178,600 transactions in 2009.
- One third of the waste is from residential areas and 2/3 is from industrial/commercial/institutional areas.
- Residential waste collection is provided to 60,000 houses, which amount to over 3,000,000 house visits per year. Each house produces an average of 1 tonne of garbage per year.
- The City's waste minimization program includes the Big Blue Bin Program and Tinsel Mulch. The Tinsel Mulch program resulted in the recycling of 2626 Christmas trees. The 4870 tonnes of paper collected through the BBB program resulted in saving the equivalent of 82,794 trees.

2009 Highlights

The GPS/ Automatic Vehicle Locator (AVL) project has been initiated for implementation on Winter Maintenance equipment. Once fully implemented, GPS/AVL will track winter maintenance equipment and will assist in delivering the Winter Maintenance Policy.

- Completed 3rd year review of enhancements to the Winter Road Maintenance Policy focusing on removal at transit stops/school zones, surveys of sidewalk removal and continuation of pilot programs such as residential ice shaving and pre-wetting.

- 26.6 km of roadways were rehabilitated throughout the City in 2009. This included 2.32 km of arterials, 14.38 km of collectors, 2.68 km of industrial roads, 7.26 km of locals.

- Major repairs to Albert Street Memorial Bridge were completed in 2009. The work included bridge rehabilitation and repairs for its architectural historical components, which includes terracotta balusters, light standard, medallions, and plaques. All architectural components of this bridge were restored to its original condition without any major alterations or modifications.

- Damages to five bridges that were the result of incidents associated with over height vehicles were repaired in 2009.

- Upgraded of major components of asphalt plant including the replacement of control building, all control wiring, a portion of high voltage wiring, installation of energy efficient burner and dryer flights and rebuilding of the pug mill. Operational Improvements resulted in a 28% reduction in natural gas consumption, which represents $70,000 in annual cost savings.

- Purchased a Core Drill Trailer System for taking core samples of existing road structures prior to designing of the new structure.

- In 2009, a total of 498m of safety barriers were repaired, which were damaged as a result of collisions.

- An estimate 420 locations of concrete distresses throughout the City received minor repairs in 2009.

- In 2009, 1133 new pavement cuts and 500 new concrete cuts occurred in conjunction with utility works such as gas, electrical power and telephone, water and sewer. Of these, 727 pavement cuts (10,700 m2) and 400 concrete cuts (2,960 m2) were repaired.

- 14 alleys were rehabilitated in 2009.

- Traffic Signals & Lighting maintain 173 intersections, 69 pedestrian corridors, 9 pedestrian signals and 820 expressway lights.

- By the end of 2009 there are currently 22 intersections that have been converted over to energy efficient LED. This program will eventually cut traffic signal electricity costs by 90%.

- Three new intersections installed were installed and four intersections completely upgraded.

- First installations of solar powered flashing warning lights were installed.

- Completed the installation of the vehicle detection system. This system now consists of 292 vehicle detection cameras as well as 233 microwave detectors which is more that 5 times as many detection cameras and 10 times as many microwave detectors than the City had prior to the commencement of this project.

- 1.4 million dollars in parking meter revenue was collected for 2009.

- Painted 458,000 meters of lane lines and 77,000 meters of crosswalk / stop bar pavement markings.

- Implemented sealed container system for parking meter collections.

- Installed 1800 new transit signs with more visible graphic and detailed transit information.

- Launched our "My Daddy Works Here" / "My Mommy Works Here" Construction Zone safety campaign.

- Provided Traffic Accommodations for 30 special events in 2009.

- The environmental assessment for the proposed new landfill development was completed and submitted to the Ministry of Environment. Approval is expected in the first half of 2010.

- The landfill gas collection system operated in 2009 and destroyed 1,140 tonnes of methane gas, which contributed to the reduction of greenhouse gases, equivalent to 66 tonnes of CO_2 each day.

- The landfill continued with a busy year in 2009 as a reflection of the economic activity in the City and surrounding area.

- Waste Plan Regina was completed in June 2009 and stakeholder input on options was sought through Open House forums.

- Reduced lost time accident frequency rates by 48%.

- Reduced staff vacancy rates from approximately 18% to 15.5%.

- Completed Department Business Plans and began preparation of Branch Business Plans.

- Responded to over 34,800 requests for services from the public.

- 12,300 residences were converted from front street manual waste collection to front street automated waste collection in 2009. This conversion completes the front street collection initiative that began in 2006.

Strategic Priorities

Public Works Division delivers programs to operate, maintain and reconstruct the municipal infrastructure/assets including 920 km of roadways; 36 bridge and overpass structures; 304 km of alleys; 1,307 km of sidewalks and 168 signalized intersections.

Public Works also provides operational and engineering services to the community and corporation including winter maintenance on roadways, alleys and sidewalks; traffic control; environmental monitoring and testing; and disposal or diversion of waste material.

The 2010 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- Continue to develop and implement asset management systems and strategies to ensure that the City can make informed decisions the sustainability of City Assets and infrastructure.

Divisional

- Continue to develop and implement asset management systems and strategies to ensure that the City can make informed decisions the sustainability of City Assets and infrastructure.
- Continue to plan and deliver effective infrastructure maintenance, preservation and reconstruction programs.
- Continue exploration and implementation of industry best practices to advance the efficiency, effectiveness and safety of the programs, strategies and systems developed and implemented.
- Develop a terms of reference for an Infrastructure Investment Strategy for implementation in future years.

Our Outcomes

- Reliable municipal infrastructure meeting the service expectations of the community
- Effective financial management
- Effective fleet management
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Divisional

- Continue to develop a Master Plan for the Public Works facilities to ensure that workplaces support efficient delivery of service and appropriate workspaces for employees.
- Continue to grow and support efforts to create a highly engaged workplace.
- Continue to align the Divisions internal strategy within the Departments and Branches to support the City's Mission of becoming the Best Run Municipality in Canada.
- Continue to assess the effectiveness of the organizational structure of the Division, and ensure that work groups have the appropriate management, coordination and skills to provide quality programs.
- Continue to enhance recruitment efforts to ensure that the Division is able to recruit the best employees into a number of remaining vacancies.

- Undertake efforts to continue improving the Division's safety performance regarding personal accidents, and take steps to improve the Division's vehicle accident performance.

Our Outcomes
- An Organization of choice with a safe, healthy and productive workplace.
- Aligned business plans and work efforts within the Departments
- A highly engaged workplace where people choose to work and are proud of their workplace
- Skilled, knowledgeable and effective employees, supervisors and mangers
- A representative workforce

Manage Growth and Community Development

Corporate
- Partner with Planning and Development in the development and implementation of plans, strategies and initiatives to manage the City's growth.

Divisional
- Expansion of the landfill to meet regional growth demands
- Continue to advance the planning for an upgraded Wastewater Treatment Plant to meet Environmental Regulations.
- Participate as part of the Downtown Plan Implementation to successfully construct the City Square Project
- Participate and support the Official Community Plan process

Our Outcomes
- Optimization of existing built infrastructure
- Directed investment and effort to enhance the vibrancy of downtown
- Compliance with legislative requirements

Achieve Operational Excellence

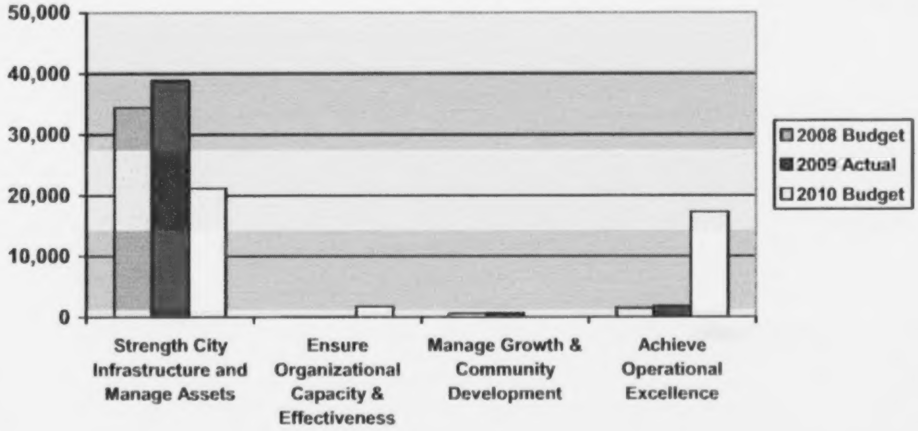
Divisional
- Continue to develop and act upon the Solid Waste Management Plan as directed by City Council.
- Partner with Communities of Tomorrow and other cities in the Municipal Innovation Network to develop municipal innovations.
- Continue to implement the Corporate Customer Service Strategy to build a culture of customer service within the Division
- Develop a first generation Business Plan for the Water Utility to guide the business aspects of the Utility.
- Continue to provide operational programs and services that meet the needs of the community
- Begin a process of program reviews to accurately define the link between activities and outcomes that will support effective decisions around levels of service

Our Outcomes
- Efficient, customer focused processes,
- Increased customer awareness and involvement.
- Increased customer satisfaction.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Public Works Division has estimated its total allocation of operating budget as follows, which reflects its focus on infrastructure:

By Strategic Priority



In a more traditional format, the Public Works Division has summarized its operating budget as follows:

By Business Unit

				Budget Change	
Expenditures ($000's)	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Office of Strategic and Business Services	1,775.2	1,478.4	**2,304.9**	529.7	29.8
Transportation & Materials Services					
Roadway Preservation	1,580.8	1,385.5	**1,844.2**	263.4	16.7
Asphalt Production & Field Services	237.0	226.3	**238.0**	1.0	0.4
Traffic Engineering & Administration	1,547.9	1,709.2	**1,528.9**	(19.0)	(1.2)
Traffic Signals & Lighting	962.5	823.7	**995.9**	33.4	3.5
Traffic Control & Parking	1,033.4	809.7	**1,165.3**	131.9	12.8
Street Lighting	3,225.3	3,309.5	**3,564.9**	339.6	10.5
Roadways Operations					
Roadways Administration	2,108.1	2,353.2	**2,484.4**	376.3	17.9
Roadways Operations	3,439.6	3,364.9	**3,553.0**	113.4	3.3
Street Sweeping	1,586.1	1,323.2	**1,674.1**	88.0	5.5
Winter Road Maintenance	5,333.2	5,855.6	**5,161.8**	(171.4)	(3.2)
Maintenance of Alleys	2,948.3	3,054.0	**3,138.6**	190.3	6.5
Environmental Services					
Environmental Engineering	456.8	355.0	**435.7**	(21.1)	(4.6)
Solid Waste Administration	1,255.3	1,322.4	**1,175.6**	(79.7)	(6.3)
Residential Collection	5,418.4	5,488.0	**5,405.5**	(12.9)	(0.2)
Commercial Collection	336.9	248.9	**362.4**	25.5	7.6
Landfill Operations	1,789.2	1,946.3	**2,007.3**	218.1	12.2
Waste Minimization	522.4	536.8	**527.3**	4.9	0.9
Transfer to Landfill Reserve	4,685.7	5,100.6	**4,852.0**	166.3	3.5
	40,242.1	40,691.2	**42,419.8**	2,177.7	5.4
Facility Costs(1)					
Administration, Roadways & Traffic	338.6	357.4	**363.6**	25.0	7.4
Waste Management	188.1	198.5	**188.1**	-	-
	526.7	555.9	**551.7**	25.0	4.7
Total	40,768.8	41,247.1	**42,971.5**	2,202.7	5.4

Note:

1. Facility costs are allocated from the Facilities Management Services Division of the Corporate Services Department.

By Expense Object

Expenditures ($000's)	2009 Budget	2009 Actual	2010 Budget	Budget Change	
				Dollar Change	Per Cent Change
Salaries & Benefits	16,799.4	16,127.5	**17,456.6**	657.2	3.9
Equipment & Fuel	8,671.2	9,081.4	**8,903.1**	231.9	2.7
Electricity & Natural Gas	3,522.6	3,764.7	**3,927.5**	404.9	11.5
Construction Materials	2,670.5	2,460.3	**3,085.8**	415.3	15.6
Goods & Services	3,224.2	3,434.4	**3,544.7**	320.5	9.9
Administration & Other Expenditures	1,195.2	1,278.1	**1,201.8**	6.6	0.6
Transfer to Landfill Reserve	4,685.7	5,100.7	**4,852.0**	166.3	3.5
Total	40,768.8	41,247.1	**42,971.5**	2,202.7	5.4

Costing Fund

Expenditures ($000's)	2009 Budget	2009 Actual	2010 Budget	Budget Change	
				Dollar Change	Per Cent Change
Public Works					
Granular Material & Asphalt Plant	**4,673.0**	5,738.5	**6,151.4**	1,478.4	31.6
Roadway Operations	**1,505.8**	1,622.6	**1,329.8**	(176.0)	(11.7)
	6,178.8	7,361.1	**7,481.2**	1,302.4	21.1

Staff Complement

Full Time Equivalents	2009	2010
Permanent	206.1	206.1
Casual	63.2	63.5
Total	269.3	269.6

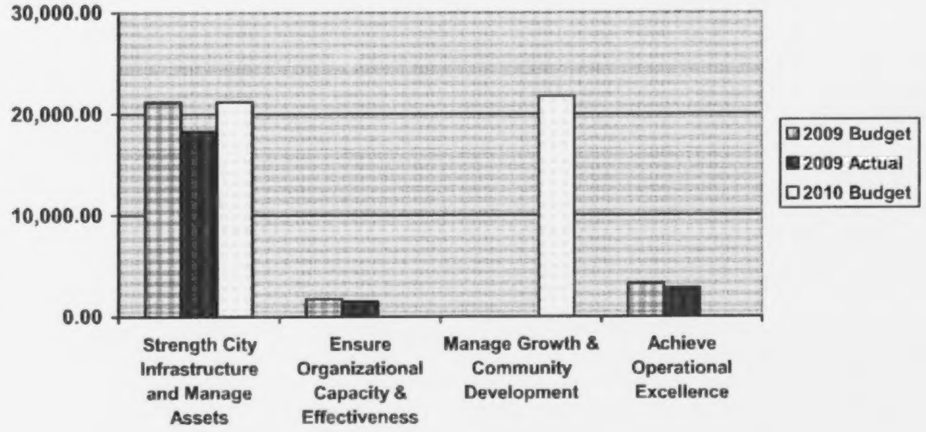
Analysis of Operating Expenditure Budget Change

Details		**($000's)**
2009 Budget		40,768.8
1	Salaries and Benefits - includes cost changes resulting from salary increases, in range progressions, classification reviews and employer benefit costs, including increases in the City's contribution to the Employees' Pension Plan. (Base)	668.8
2	Big Blue Bin Contracted Services increase - Increased costs for the new Big Blue Bin contract agreement due to an increased number of tips. (Base)	10.0
3	Allocated Costs: Increase in Fleet Costs - equipment expenses due to the increased cost of fuel, fleet garage charges and depreciation charges as vehicles and equipment are replaced; and computer, output device and allocated asphalt costs. (Base)	1,048.5
4	Materials Costs - increase in costs such as concrete, gravel, salt and asphalt for pavement patching, sidewalk maintenance, alley maintenance, and sanding and salting streets. (Base)	243.6
5	Electricity Rate Increase - predicted system average increase by SaskPower for 2010. (Base)	387.2
6	Bridge Washing - External contracted services to clean and wash bridges as a preventative maintenance measure. (One-time)	150.0
7	Solid Waste Collection Growth in Garbage Collection (On-going)	40.0
8	Waste Plan Program - Contracted services design of alternatives to Rear Alley Containers. (One-time)	30.0
9	External Human Resources Consulting Services - Management and Training consulting services to assist in building management capacity to support efficiency and effectiveness improvements. (One-time)	26.0
10	Landfill Gas System Operations - Materials and equipment to support staff performing testing and maintenance activities with the Landfill Gas system. (On-going)	20.0
11	Re-investments	(259.9)
12	Remove 2009 Specials (One-time)	(161.5)
2010 Budget		42,971.5

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Public Works Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:



By Business Unit

Expenditures ($000's)	2009 Budget	2009 Actual	2010 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Roadways Infrastructure	15,000.0	15,084.4	**14,900.0**	(100.0)	(0.7)
Bridges	5,600.0	4,072.1	**4,450.0**	(1,150.0)	(20.5)
Traffic Control & safety	2,137.0	1,213.0	**1,213.0**	(924.0)	(43.2)
Waste Management	3,290.0	1,554.7	**15,020.0**	11,730.0	356.5
Other	210.0	724.9	**540.0**	330.0	157.1
Total	26,237.0	22,649.1	**36,123.0**	9,886.0	37.7

Capital Project Funding Sources	($000s)
Asphalt Plant Reserve	**360.0**
Current Contributions	**915.0**
Debentures	**4,650.0**
Gas Tax (GT)	**10,700.0**
General Fund Reserve	**354.5**
ISF	**1,350.0**
Landfill Reserve	**15,720.0**
Provincial/Territorial	**1,950.0**
Service Agreement Fees (Roads)	**123.5**
	36,123.0

Summary of Capital Investments

	Details	($000s)
1	Street Infrastructure Renewal - Asphalt resurfacing and concrete repair, consulting services, pavement asset management, local improvement walk, curb and gutter replacement, and reconstruction and resurfacing of roadways in conjunction with local improvement work.	14,900.0
2	Bridge Infrastructure Renewal - Correction of structural deficiencies, inspection and engineering related to the safety and renewal of existing bridges.	4,450.0
3	Traffic Signal Rehabilitation - This is an annual program performing end of life asset replacement of 4% of the City's signalized intersections per year and includes the replacement of traffic signal poles, ducts, wiring, controls, lights, detection equipment, software, other ancillary supplies, and services based on the expected life span of poles and their components.	770.0
4	Pedestrian Protection - This is an annual program to improve pedestrian accommodations and safety for the public throughout the City. Improvements include the installation of pedestrian corridors, pedestrian half signals, pedestrian crosswalk signs, no parking signs, and the installation of fence adjacent to high speed roadways.	95.0
5	Traffic Management and Parking - This program rehabilitates the City's 775 expressway poles and the 16 associated control cabinets over an 8 year period and results in lower overall maintenance costs due to reduced infrastructure failures.	348.0
6	Gravel Road Upgrading - Due to new development and annexing of gravel roads, upgrades to two gravel roads to an all dust free all weather surface are required.	130.0
7	Railway Crossing - This program is coordinated with CN and CP Railways programs to upgrade the railroad tracks at the crossings. Several are upgraded every year. Activities involved are engineering services, asphalt resurfacing, concrete repairs, and railway seals replacement.	50.0
8	Landfill Capping and Closure - Existing landfill capping and closure steps to meet the requirements of the closure plan. Activities include acquisition of a GPS system, sourcing cover soils, engineering, construction, and associated closure plan elements.	1,100.0
9	New Landfill Development - Construction of a new landfill would involve development of cells with a capacity for five years. The cost of each cell is estimated at $8 million. Once the capacity of each cell is reached, the cell would be closed. The expansion plan provides for upwards of an 80-year landfill life. This lifespan could be extended pending potential future waste diversion programs.	13,700.0
10	Integrated Solid Waste Mgmt System - This project provides for future new facilities to deliver the waste management services adopted by Council from the Waste Plan Regina Report. Work involves planning, engineering, construction, and service delivery contracts.	220.0
11	Asphalt Plant Upgrade - This project is to install equipment that will allow for temporary storage and precise measurement of dust that is recovered from the dust collectors and used as a component of the asphalt mixes. Implementation of this project will result in better, more consistent asphalt mixes and elimination of the asphalt mix waste.	360.0
		36,123.0

Corporate Services Division

Mandate

"We excel in providing services and support to our customers, both internal and external; enabling City operations to maximize its effectiveness and potential. Our Corporate Services team includes Financial Services, Information Technology Services, Human Resources, Fleet Services, and Facilities Management Services."

Divisional Overview

As described in our Mandate, the Corporate Services Division effort remains committed to supporting the corporate priorities and to provide services to the other Divisions.. Corporate Services has developed its first Divisional Plan, as well as supporting departmental plans towards delivering on the Corporation's Strategic Priorities by focusing on the themes of "back to basics', 'start with strategy' and 'remember the customer'. The focus of the plans and corresponding budget are to stabilize our core services and to more effectively support our customers now and in the long-term. The 2010 Divisional Budget is summarized into the following functional areas:

- Administration – The General Manager, along with the strategic services and administrative staff are responsible for strategic direction to the five Departments, related administrative support, as well as establishing and monitoring corporate policy and governance requirements.

- Facilities Management Services – The Department, led by the Director – Facilities Management Services, provides the space planning, construction project management, physical plant maintenance, and the day-to-day operation of City-owned facilities. The department also provides for the corporate facilities energy management and air quality programs, and the electricity and natural gas utility program for all civic facilities.

- Financial Services – The Department, led by the Director – Financial Services, provides internal and external financial reporting, accounting, budget, purchasing, cash management, and investment and debt management services for the Corporation. It manages customer service, billing, and collection for the City's water, wastewater, and drainage utility.

- Fleet Services – The Department, led by the Director – Fleet Services, supports the delivery of City programs and services (excluding Fire, Transit, and Police fleets) by providing fleet management, maintenance, and operator training services. The department is also responsible for the Central Stores, Salvage, and Fuel Programs.

- Human Resources – The Department led by the Director – Human Resources, as strategic partners and innovative leaders, Human Resources designs and supports the implementation of Contemporary People Practices to build organizational capacity. The eight functions of the People Practices are centered around Recruitment & Retention; Healthy Workplace; Training and Development; Compensation, Rewards and Recognition; Organizational Development and Effectiveness; Labour Relations; Workforce Forecasting and Succession Planning; HR Management Systems and Process.

- Information Technology Services – The Department, led by the Director – ITS, provides leadership in business technology planning and identifying new technology opportunities. The Department coordinates the development/selection, implementation, operation, and support of information technology and computerized applications used by the City as well as the integration, sharing and security of data, and delivery of corporate telecommunications, printing, and mail services.

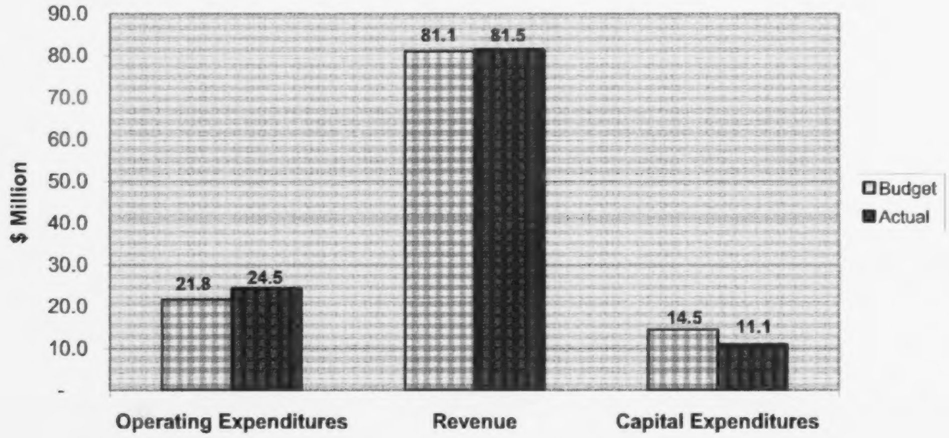
- Pensions and LTD – This business area reports to, and provides administrative services to several Pension and Long Term Disability Plans (LTD), which serve the City of Regina as well as other employers. This business area is funded through pension and long-term disability plans, and maintains a working relationship between the Plans' Administrative Boards and the Corporate Services Division.

Key Facts

- 73% of the total operating expenditures of this Division result from staffing related costs.
- Facilities Management Services supports more than 220 buildings and almost 400 additional structures that range from recreational, administrative, and operational buildings to spray pools, bus shelters, and park structures.
- Financial Services provides utility bills to almost 63,000 households within the City.
- Fleet Services manages and maintains 996 vehicles within the overall fleet, and annually delivers more than 300 operator training sessions attended by more than 1600 employees. The Supply Services branch maintains an inventory of more than 8400 different items to support City operations.
- Human Resources support 350 client Managers and Supervisors in dealing with their Human Resources, which encompasses 2,500 permanent, casual and seasonal employees.
- ITS supports 1,325 City staff, who utilize over 70 different business applications through a state-of-the-art network connecting 60 City facilities.

2009 Highlights

Financial Performance



Operational Highlights

Corporate Services remains focused on becoming a leader within the municipal sector and the following highlights from 2009 demonstrate this commitment:

- In response to the objective of revitalizing civic facilities, in 2009, the Mayor's Office on the 15th floor and the City Manager's Office on the 14th floor of City Hall were renovated. The roof and sky light at the Regina Fire & Protective Services Department Headquarters building was replaced. Construction on a new Parks sub-depot was initiated and landscaping was upgraded at the Glencairn Neighbourhood Centre. The Lawson Aquatic centre major shut-down provided for repainting of the pool cell, significant repairs and maintenance to the pool mechanical and drainage systems, replacement of the ventilation system, and a replacement of the cedar shake roof with an energy efficient, low maintenance metal roof. The gymnasium floor was replaced at the South Leisure centre as well. In 2009, construction commenced on the new #4 Fire Station located at the corner of Princess Street and Pasqua Street in north central Regina.

- In May of 2009, the Parks and Open Space Department and the Facilities Management Services Department moved into a brand new building at 1430, 4th Avenue. This new building provides for contemporary office space where the administration for two departments, together with associated departments (a total of five departments) work together in one building, providing service to the community. The development of the new space and the associated working relationships embody many of the characteristics of the "New Public Organization" and foster collaboration, innovation, enhanced communication in a decentralized, non-departmental form. The office space in the new building was designed using the Contemporary Office Space guidelines that were approved and implemented in the summer of 2009, and that will be the basis for future renovations in the organization. This new facility was designed and build to LEED silver standard.

- In 2008 Facilities Management Services completed Facility Condition Assessments on 900,000 square feet of corporate space (35 facilities) to initiate a program to consistently and accurately document the current condition of corporate facilities and develop an information database to support capital and operating budget preparation and work planning. The work in 2008 was so successful that in 2009 Facilities Management Services undertook a program to review the rest of the inventory and build a preventative maintenance program for the entire portfolio. The outcome of this work will include current, comprehensive, corporate data that will enhance work planning and budgeting and provide decision makers with the information they require to understand and appropriately invest in corporate facility assets.

- In 2009, the Saskatchewan Roughriders averaged more than 30,000 fans per game and held the Western Final playoff game at Mosaic Stadium at Taylor Field for the first time in 33 years. The City of Regina continues to support the feasibility study for a new provincial entertainment facility in Regina and will respond with appropriate plans for Mosaic Stadium pending the outcome of the study.

- The City of Regina continues to make progress on initiatives identified in the Workforce Diversity Strategy. Highlights for 2009 include the introduction of Myths and Misconception training was offered to all City of Regina employees.

- Service Regina and the Human Resources Department developed a Customer Service Training program consistent with the concepts and practices identified in the Customer Service Strategy. There were 175 sessions with 2150 City employees participating in the training throughout 2009.

- In follow-up to commitments made during the last round of bargaining and in addressing past years' Employee Surveys results, a significant amount of time was spent developing a draft Corporate Job Evaluation Program Strategy. This foundational component of a Total Compensation Program will create the framework to enable future redesign and/or development of a new job evaluation program(s). The Corporate Job Evaluation Program will be based on leading practice research, and support our lines of business while reflecting the organization's culture and values.

- The Conference Board of Canada invited the Human Resources Department to make a presentation in May 2009 to the HR Strategic Council in recognition of the Department's support of the City's functional realignment and restructuring activities. The presentation highlighted the change in the HR Department structure and the way HR services are now delivered. The process for org design in Community Services was highlighted and the lessons learned from other unsuccessful restructuring activities were reviewed.

- For the third year in a row, the City of Regina received a Certificate of Achievement from the Worker's Compensation Board of Saskatchewan, recognizing the City's reduction in lost time injury claims for 2009. The City will also see a $0.03 reduction in 2010 premiums from the industry standard of $1.56; the City will now pay $1.53/$100.00 of payroll.

- The Human Resources Department successfully hosted the 2009 Western Cities Conference in September. Feedback from the delegates rated the conference as excellent.

- The Human Resources Department lead the FTE (full-time equivalent) reconciliation project that completed the data cleanup of all positions/jobs and hierarchies in HR/Payroll and budget systems as well as new procedures to set up and maintain employee data go-forward.

- Payroll system changes have been implemented that allow sick and vacation credits to be tracked on a daily basis. This is a part of the Employee Entitlement Bank Review Project addressing the thirteen recommendations from Employee Entitlement Bank Review audit. This project is intended to provide stability to the payroll processes and corresponding systems.

- In January 2009, the first annual Corporate Recognition Gala was held at Queensbury Centre. Winners of the first Accelerating Excellence Awards received their awards at the Gala. Employees with 15, 20, 25, 30, 35, 40 and 45 years of service, as well as retirees were also recognized at the event. Upon reflection of the Rewards and Recognition program, a Customer Service Excellence Award was created to reinforce the customer service strategy and training.

- The third City of Regina Employee Survey was conducted in May 2009. Participation in this year's survey increased by eight percent and all survey factors saw in increase of at least four percent.

- With all five collective agreements expiring at the end of December 2009, bargaining preparations and development of interests and interest packages have been a significant item of focus. This will be the first time that the City has entered bargaining since the passing of the Public Service Essential Services Act. Negotiations are underway and indications are positive for achievement of Essential Services Agreements by the time collective bargaining commences.

- The Fleet Services Department completed implementation of its new FleetStatus customer communication application that improves communications with its customers and helps to maximize the overall effectiveness of the fleet and City operations. The application gives fleet users access to current fleet availability information, preventive maintenance scheduling, repair status information, and the ability to communicate on-line with the fleet service centres.

- The Fleet Services Department began implementation of the recommendations of the GreenFleet Report to minimize the negative environmental impacts of the City's vehicle and equipment fleet. A new vehicle idling policy was developed, auxiliary heaters were installed in more than 40 vehicles, four more hybrid vehicles were added to the fleet, and discussions were started with the Province regarding cost sharing of a hybrid refuse truck using hydraulic launch assist technology.

- In the fall of 2009, a consulting firm was engaged to conduct a strategic review of the delivery of fleet services and recommend a service delivery method that will improve the efficiency and effectiveness of the delivery of fleet services across the organization. Options include maintaining the status quo and centralizing the management of the Transit and Fire fleets with the municipal fleet. The consultant's report is due in early 2010.

- In 2009, work was started on a new fleet governance model that would replace the existing Fleet Utilization Review Committee with a new Fleet Governance Committee (FGC) having a broader governance mandate and a more specific focus on customer service. The objectives of the FGC would include striking an effective balance between appropriate fleet governance and a customer-centric approach to the provision of fleet services, and ensuring client department business needs drive fleet size and composition.

- Service Regina's Customer Contact Centre application was upgraded. This enhanced system allows for complete integration between the call centre and other corporate applications coming on stream in 2010, such as the building permit system. The web portal allowing citizens to enter "request-for-services" and to check their request's status was also improved.

- Citizens now have the convenience of paying their parking tickets on-line. The third-party payment system uses the world's largest on-line credit card clearinghouse. This allows the City to continue to focus on core activities and not investing in high tech security measures to secure credit card information.

- When the education tax process for municipalities changed in the 2009 Provincial spring budget, limited time was available to implement major changes to both the Tax & Assessment Suite and the actual tax bill. This was completed on time and the tax notices were sent out without delay.

- The Oracle Financials system was upgraded. The new version provides users with faster access, improved reliability and a path to newer technology. It also ensures that this critical application remains supported by our vendor.

- The Technology Renewal program added more data storage and upgraded the "backup and restore" technology. The data storage and backup issue will be addressed more holistically in 2010.

- The corporate desktop operating system was upgraded to Windows XP. This will allow time to determine the City's future desktop requirements and evaluate a variety of technology options.

- Financial Services is the lead in implementing the capture and reporting of the Public Sector Accounting Board (PSAB) requirements for tangible capital assets. Over $1.5 billion in City assets have been classified and reported for the first time in the City's 2009 Financial Statements. The City will report on the complete stock of tangible capital assets and amortization in the financial statements to demonstrate stewardship and the cost of using those assets to deliver programs and provide services.

- The City of Regina implemented a new budget process for the 2010 budgets. Corporate business planning has provided strategic direction for operating and capital investments and a shortened budget cycle was integrated with the planning cycle to maximize input from the Public and City Council further refine strategic focus. The new process has enabled greater engagement from our Operating Divisions while increasing transparency.

Strategic Priorities

Corporate Services focus for the next few years is to enhance the foundational work of our core services and to set the stage to effectively support our customers in the short and long term. While there are many challenges ahead, we are focused on turning "obstacles into opportunities". The Division has adopted three themes that provide a high-level view as to where we need to go as a division. These three themes provide a basis for how we will achieve our corporate and divisional priorities. These themes are as follows:

- Start with Strategy – determines the purpose and expected outcomes of the activities as new initiatives are considered and day-to-day work is performed. Corporate Services is committed to achieving long-term improvement objectives, but endeavour to remain flexible in how Corporate Services Division can be an example of a best-run internal service provider.
- Back to Basics – focuses on resources and efforts to ensure basic Corporate Services policies, procedures, and processes are established and documented to ensure consistency, clarity, and stability for the Division and organization.
- Remember the Customer – ensures the needs of the customers are a key focus as business process changes and the continuous improvement activities are implemented.

The 2010 Divisional Budget provides the resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure and Manage Assets

Our Key Areas of Focus

Corporate

- Development of the Corporate Asset Management Framework and Guiding Principles. The Corporate Asset Management Framework and Guiding Principles will be used as a reference guide and planning tool for future asset management program development throughout the organization.
- Development of a long-term Corporate Facilities Strategy, including a preventative maintenance program, revitalization plan for current facilities and a strategic approach to Facilities program management and the development of new facilities.
- Undertake an assessment of the financial system and HR system challenges that exist in the corporation.
- Participate in the project to either build a new entertainment centre or revitalize Mosaic Stadium in partnership with the Saskatchewan Roughriders and the Province.
- Lead or provide support to a number of corporate projects including Regina Pioneer Village Amalgamation, Regina global Transportation Hub, Tangible Capital Assets, 2009 Reassessment, Evraz Place Revitalization, Pension Plan Review, Performance Management Program, and Recreation Facilities Master Plan.

Our Outcomes

- Effective financial management.
- Revitalized facilities.
- Effective fleet management.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- Continue to support corporate organizational capacity in the operating divisions' organizational structure changes and the delivery of new projects and programs.
- Communicate to the operating divisions Corporate Services' role and responsibilities, service levels, performance measures, and customer satisfaction measures.

Divisional

- "Keeping the Lights On" – address the significant staff shortage throughout the Division.
- Identify and implement organizational structure changes within Corporate Services to respond to changing and growing demands on Corporate Services' service provision
- Establish and document basic policy, procedures, and processes to ensure consistency, clarity, and stability for the division and organization.
- Review core business processes to identify opportunities for improvement.
- Completing the actions set out in the department business plans that align with the Corporate Strategic Plan and the Division Business Plan.
- Development of the Technology Plan.

Our Outcomes

- Appropriately skilled and knowledgeable employees.
- Engaged employees, supervisors and managers.
- Appropriate and efficient information technology tools in a secure environment.

Manage Growth and Community Development

Our Key Areas of Focus

Corporate

- A comprehensive community Development Plan that identifies the City's level of support to community organizations and the level of responsibility and involvement in social programming.

Divisional

- Support the development of the Global Transportation Hub including the establishment of an entity, business plan, and operating framework.
- Finalize a report of recommendations for the City resulting from the Airport Ground Transportation Study done in partnership with the Regina Airport Authority.
- Provide ongoing support and services to the operating divisions in the daily operations and the delivery of the new projects and programs.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Optimization of existing infrastructure capacity.
- A consolidated approach to providing community investments.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- Develop and implement process and program improvements, which will increase our focus on customers, establish common understanding of business objectives and priorities, improve our capacity to work smarter and be better positioned to assist operating divisions achieve their business objectives.
- Continue to support programs and services that meet the needs of the community.

Divisional

- In partnership with Service Regina, re-develop the main floor of City Hall to provide a high quality, seamless and consistent approach to in-person service delivery to visitors to City Hall and improve security for employees, customers and assets.

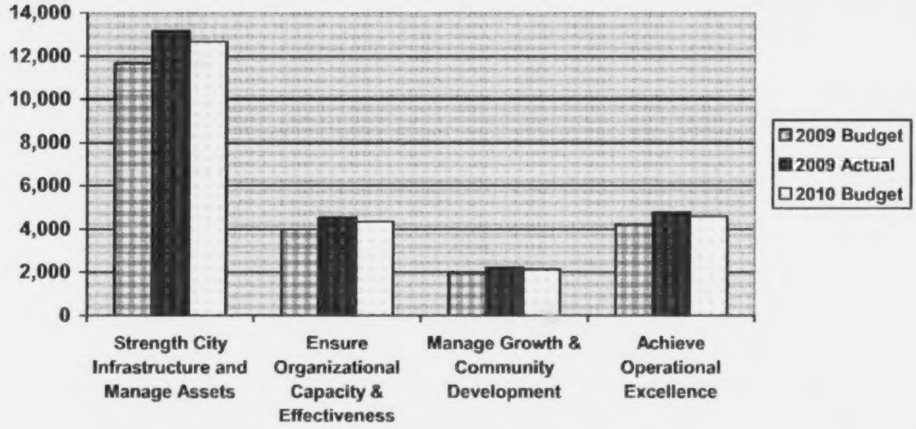
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities, the Corporate Services Division has estimated its total allocation of operating budget (including the Costing Fund) as follows:

By Strategic Priority



In a more traditional format the Corporate Services Division has summarized its operating budget as follows:

By Business Unit

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Administration	787.2	719.6	**763.1**	(24.1)	(3.1)
Facilities Management Services	3,908.3	4,946.7	**4,386.1**	477.8	12.2
Financial Services(1)	5,234.4	8,002.7	**5,677.2**	442.8	8.5
Human Resources	5,161.7	4,810.5	**5,010.3**	(151.4)	(2.9)
Information Technology Services	6,506.8	6,632.1	**7,031.7**	524.9	8.1
Fleet Services(2)	143.5	243.6	**748.6**	605.1	421.7
Pensions & LTD	94.4	71.7	**104.1**	9.7	10.3
Total	21,836.3	25,426.9	**23,721.1**	1,884.8	8.6

Note:

1. *2009 Actual includes transfers to reserves of $803,500 and payment to Regina Pioneer Village of $2 million.*
2. *The large increase in Fleet Services budget is due to a transfer of the Training & Safety budget from the Costing fund.*

By Expense Object

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Per Cent Change
Salaries & Benefits	15,873.1	15,181.1	**17,339.0**	1,465.9	9.2
Goods & Services	2,211.4	6,814.5	**2,542.5**	331.1	15.0
Administrative Expenditures	1,074.0	965.3	**1,007.0**	(67.0)	(6.2)
Software Maintenance Charges	1,016.5	849.2	**1,130.1**	113.6	11.2
Electricity & Natural Gas	629.6	658.7	**609.5**	(20.1)	(3.2)
Allocated Costs	1,031.7	958.1	**1,093.0**	61.3	5.9
Total	21,836.3	25,426.9	**23,721.1**	1,884.8	8.6

Costing Fund

The Corporate Services Division provides service to other Divisions that are charged out to their operating budgets. On a stand-alone basis, these costs are reflected as follows:

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Per Cent Change
Facilities & Energy Management	5,910.0	6,082.6	**6,086.4**	176.4	3.0
Fleet Services	18,467.2	18,321.2	**16,583.7**	(1,883.5)	(10.2)
Information Systems	1,521.3	1,557.6	**1,472.9**	(48.4)	(3.2)
	25,898.5	25,961.4	**24,143.0**	(1,755.5)	(6.8)

Staff Complement

Full Time Equivalents (FTE's)	**2009**	**2010**
Permanent	303.1	308.1
Casual	29.7	30.1
Total	332.8	338.2

Analysis of Operating Expenditure Budget Changes

Details	($000's)
2009 Budget	21,836.3
1. Salaries and Benefits - Includes cost changes resulting from in-range progression increases, classification reviews and employer benefit costs. (Base)	1,270.0
2. Uncontrollable Price Increases for various contracted services. (Base)	335.6
3. Increase in the transfer from operations to Employer Provided Parking Reserve to reflect the new parking rates. (Base)	150.0
4. Increase to contracted services to monitor critical building systems as required by legislation and maintain the devices required to ensure asset protection 24/7. (On-going)	20.0
5. Capital Analyst (1.0 Permanent FTE) - A dedicated position to assist in managing the $120 million of annual capital expenditures. Currently there is no specific responsibility for managing the capital program from maintaining the capital database, managing and reporting on capital carryforward amounts, Service Agreement Fee modelling and compliance with funding agreements. (On-going)	95.0
6. Performance Reporting Analyst (1.0 Permanent FTE) - A financial position dedicated to internal financial reporting initiatives such as monthly variance reporting and Corporate Scorecard. (On-going)	95.0
7. ITS software and hardware maintenance - maintenance costs associated with the additional hardware and software items acquired: Fuel Focus, Netmotion, FDM AVL, FDM Mobile CAD, VFA and Storafe Area Network. (On-going)	70.2
8. Database Analyst (1.0 Permanent FTE) - this position will support the growing number of corporate databases and allow for sharing of responsibilities. (On-going)	73.7
9. Technical Support Analyst III (1.0 Permanent FTE) - this position will focus on infrastructure projects that provide a solid foundation for corporate applications and after hours support. (On-going)	73.8
10. Building Management Upgrades - funding to install monitoring devices throughout City Hall and outlying buildings so that critical systems can be monitored to ensure asset protection 24/7. (One-time)	50.0
11. Leadership Development Program (LDP) - funding to conduct a needs assessment to identify the components or modules for the program including the module development. (One-time)	100.0
12. Infrastructure Project Management External Support - external expertise to provide rigour and urgency in delivering technical infrastructure projects. (One-time)	120.0
13. Technical Analyst Consulting - external technical expertise to assist/backfill on infrastructure projects. (One-time)	75.0
14. Configuration Management Consulting - consulting to establish common processes for configuration management using ITIL standards. (One-time)	80.0
15. Co-op Students (0.4 Casual FTE) - support to the IT department as a means or recruiting qualified IT staff. (One-time)	20.0
16. Remove 2009 Specials (One-time)	(739.7)
17. Transfer fleet training and safety from a Costing Fund to General Operations (5.25 Permanent FTE)	480.1
18. Reinvestments including 92.1 in consulting services to offset a Policy & Strategic Analyst position (1 Permanent FTE) to support the Corporate Services Division.	(453.1)
19. Other Cost Changes.	(30.8)
2010 Budget	23,721.1

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
One-time request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Corporate Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	12,595.0	9,649.3	**10,012.0**	(2,583.0)	(20.5)
Ensure Organizational Capacity & Effectiveness	1,775.0	1,331.0	**1,560.0**	(215.0)	(12.1)
Manage Growth & Community Development	175.0	111.0	**-**	(175.0)	(100.0)
Achieve Operational Excellence	-	-	**145.0**	145.0	-
Total	14,545.0	11,091.3	**11,717.0**	(2,828.0)	(19.4)

Business Unit

				Budget Change	
Expenditures	2009 Budget	2009 Actual (1)	**2010 Budget**	Dollar Change	Per Cent Change
Facilities Management Services	8,232.0	4,953.4	**5,469.0**	(2,763.0)	(33.6)
Fleet Services	4,782.0	4,901.6	**4,624.0**	(158.0)	(3.3)
Information Technology Services	1,531.0	1,236.3	**1,624.0**	93.0	6.1
Total	14,545.0	11,091.3	**11,717.0**	(2,828.0)	(19.4)

Note:

1. *The 2009 actual expenditures include the 2008 carry forward budget amounts that were spent in 2009.*

Summary of Capital Investments

	Details	(000's)
	Facilities Management Services – Major Projects	
1.	Corporate Services – Facilities is undertaking several projects within the division to enhance service provision to the public and to upgrade space for employees. These projects include the modernization of the City Hall elevator system, as well as renovations to space equivalent in size to one floor at City Hall. This funding also includes required upgrades to Mosaic Stadium to ensure sustainable operations while decision on the new entertainment facility are contemplated.	1,364.0
2,	Community & Protective Services – Facilities in partnership with the Protective Services Department will be working on the completion of the construction of the new Fire Station on Dewdney Avenue and Princess Street. The capital funding also provides for roof replacement of various recreational facilities on a timely basis with the civic portfolio, in 2010 the Field house roof will be replaced. The balance of the funding will support the continued work to consolidate Facilities Management Services with Parks and Open Space in the Parks Yard. This includes the construction of a new trades shop, renovations to the Chrysler Building, conversion of the Forestry building to heated storage, demolition of old buildings, relocation of fuelling equipment and the creation of new storage compounds.	2,805.0
3.	Asset Revitalization & Sustainability – This is funding for the regular maintenance of all facilities to ensure safety of occupants and long-term use and preservation.	1 ,300.0
	Fleet Services	4,624.0
4.	In 2010, 74 fleet vehicles and mobile equipment units will complete their economic life. Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.	
	Information Technology Services	
5.	Business Applications – In 2010, the following business applications will be upgraded or implemented: Fire Time & Attendance, HR-VIP (payroll), Permit Application Inspection Information Database, and Property Assessment Data Collection Automation (Mobile Assessors). The funding also provides for an analysis of the City's core applications and interfaces to develop a plan to transform the City's business applications to better capture and report relevant data.	930.0
6.	Supporting Infrastructure – In 2010, the technology infrastructure will receive a number of improvements including disaster recovery, network renewal, infrastructure and storage life cycle improvements to meet the growing demand on the infrastructure to support new and growing business applications. The City is also undertaking a project to extend the City's wide area network using point-to-point wireless technology to connect City facilities that are not connected to the network through fibre and will provide the foundation for wireless mobility to the City's outside workers.	694.0
	2010 Budget	11,717.0

Planning & Development Division

Mandate

"We provide a long-term comprehensive approach to planning, engineering and development processes to ensure the efficient use of land and community infrastructure in creating a city that reflects Council's Vision and the goals of Regina residents. Specifically, the Division encompasses land use, neighbourhood, transportation and infrastructure planning, long-range capital planning, development review, building permits and inspection and real estate services."

Overview

The Planning and Development Division is primarily focused on managing growth, development and the provision of infrastructure, which is responsive to the needs, and aspirations of the community. The Division is organized into the following functional areas:

- Planning and Sustainability – This Department, led by the Director and consisting of four Branches – Building Standards, Development Review, Comprehensive Planning, and City Centre – is responsible for preparing and maintaining the Official Community Plan (OCP) to guide the future growth of Regina, and the implementation of the OCP through zoning, subdivision approval and building permitting and inspection processes. The Department is responsible for regulation of zoning and building standards compliance and administers housing, heritage and sustainability programs to enhance quality of life. The planning process is collaborative and responsive to the community, and dedicated to guiding development in a manner, which is cost effective in its demand for infrastructure, achieves a high quality of life, provides housing choice, and is sustainable.

- Development Engineering – This Department, led by the Director, consists of two branches – Technical Services and Infrastructure Development. The Technical Services Branch manages infrastructure related activities to provide City-wide services. These activities include coordination of development, infrastructure renewal and capital construction; provision of geomatics and drafting services in support of construction programs, maintenance of infrastructure assets database, and liaison with utilities, and other outside agencies. The Infrastructure Development Branch is responsible for long-range infrastructure planning, design and construction, as well as the review and approval of new development. The Infrastructure Development Branch also manages development policies and programs related to standards, specifications, and fees.

- Assessment and Property Taxation – The Assessment and Property Taxation Department is responsible for assessment, property tax administration, and real estate services within three branches. The Assessment Branch is responsible for assessing all properties in accordance with *The Cities Act* and the assessment manual and board orders adopted by the Saskatchewan Assessment Management Agency. The Property Taxation and Administration Branch is responsible for the administration of property tax revenues including billing and collections, local improvement and special levies and assessment administration including notices, market data and surveys, property ownership and school support records. There is a province wide reassessment every four years mandated by provincial legislation. The data collection and verification work for the 2013 reassessment is already underway The Real Estate Branch provides the City of Regina with all required real estate services, including industrial land development, the purchase or lease of properties when needed for City operations, the sale or lease of City-owned properties, disposition of properties taken under the tax enforcement process, acquisition of easement rights, and the provision of real estate information and services to local developers, real estate agents and City residents. A review of real estate services was conducted in 2009 and improvements to real estate services will be implemented in 2010.

Key Facts

- 94.8% of the total operating expenditure of the Division results from staff related costs. Our product is information used to leverage all development activity in the City in a manner intended to align with and achieve community objectives.
- Currently the City provides over $1 million per year in tax exemptions to promote housing development through the Inner City Housing Stimulation Strategy (ICHSS), Downtown Residential Incentive Policy (DRIP) and Warehouse District housing incentive programs. In 2009, 67 properties qualified for exemptions under ICHSS. In addition, 41 units qualified under DRIP and 8 units qualified for the Warehouse District exemption. In total, 469 housing units received exemptions to stimulate housing development under the three incentive programs. This number is expected to increase to 610 units in 2010 due to the multi-unit ownership and rental developments that are under construction.
- Through zoning and building permit processes, the Division directed a record of over $400 million worth of new construction in Regina in 2009 to achieve community development objectives.
- Approximately 15 zoning bylaw amendments and 20 discretionary use applications were processed through Regina Planning Commission and City Council in 2009.
- Over 40 subdivision applications were approved in 2009 resulting in new sites to accommodate development in a climate of sustained economic growth. As well, 10 lot severance applications were approved in 2009.
- Responses were given for 17 development application referrals from the RM of Sherwood.
- The review and consideration of 32 condominium conversion applications commenced in 2008 and carried forward into 2009.
- Approximately 60 applications for development appeals were processed through the Development Appeals Board.
- There were 520 commercial permits were reviewed for zoning and landscape compliance in 2009. This represents an increase of 70 permits from 2008 when 450 commercial permits were reviewed. Commercial permit activity is expected to remain strong into 2010.
- Over 150 permanent sign permits were processed in 2009 and approximately 600 portable sign permits were issued. Compliance among portable signs remained strong at 90%.
- The Federal Government has allocated $1.127 million for homelessness initiatives in Regina in 2009 and 2010. This brings total commitments to $9.4 million since 2000.
- The scoping phase of the development of a new Official Community Plan was initiated in 2009. The OCP will be developed from 2010 to 2012.
- The Regina Downtown Neighbourhood Plan was adopted by Council in 2009. Implementation of the plan is underway through such projects as City Square, the conversion of 12th Avenue north of Victoria Park into a festival plaza. The plan will become a bylaw in early 2010.
- Grasslands, a commercial development in Harbour Landing, was reviewed and approved.
- The first Global Transportation Hub warehouse building was reviewed and approved and construction began for water, wastewater and drainage services associated with this development.

- Heritage-related activities in 2009 included the review and approval of proposed alterations to four designated properties; processing claims for tax exemptions that had already been approved under the *Municipal Incentives Policy for the Preservation of Heritage Properties*, involving four properties; and the preliminary or formal review of several applications for heritage designation and incentives, involving both potential and formally designated heritage properties. Ongoing responsibilities have included administration of the City's Heritage Awards and Heritage Plaque programs, as well as providing information and guidance to heritage property owners and the general public. Recognition of and investment in Regina's heritage assets, encompassing but not limited to designated properties, enhances our built environment, cultural identity and quality of life.

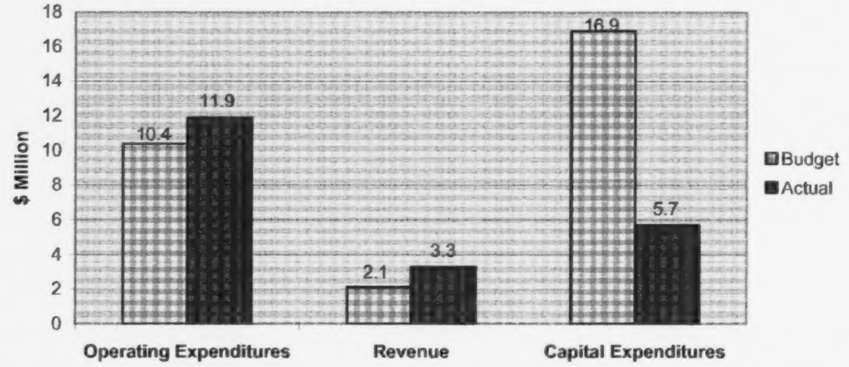
- In 2009, City Council approved the Sky View and Lakeridge Addition concept plans, which will guide development of approximately 50 hectares of land in north Regina. In addition, the Planning and Development Division continues its review of a concept plan for the area north of the Argyle Park/ Englewood communities. This plan is expected to be forwarded to Regina Planning Commission early in 2010. The plan will guide development of approximately 175 hectares of land.

- Over 80 hectares of new development was approved and managed through nine new servicing agreements.

- Eleven Construction Completion Certificates and 14 Final Acceptance Certificates were issued.

2009 Highlights

Financial Performance



Operational Highlights

- Approximately 2,300 building permits were issued for a record $420 million worth of construction. In 2010, a similar level is expected.

- In late 2007, the Planning & Sustainability Department engaged a consultant to facilitate the creation of a comprehensive plan and new community vision for the downtown. After an extensive public consultation and stakeholder engagement process, a Plan was approved by Council in 2009. The plan will provide the necessary policy framework to guide development in the downtown for the next 20 years. The first private development project using the new urban design standards in the plan (Plains Hotel site redevelopment) was reviewed and approved by City Council. It is expected that additional downtown development proposals will be submitted in 2010.

- A new Core (now Heritage) Neighbourhood Plan is nearing completion. The plan will guide future land use and development giving the area its "look and feel". Consultation included discussions with community residents and organizations, businesses and private sector developers to determine desirable kinds of development, services, and heritage characteristics for the neighbourhood. The Heritage Neighbourhood Plan process will be completed in 2010.

- City Council and the RM of Sherwood Council approved complementary resolutions for the boundary alterations of several areas, including the Global Transportation Hub, in late 2008 and early 2009. The Minister of Municipal Affairs approved the boundary alteration in February 2009. There is one outstanding area to the east of the city from the proposal that is to be negotiated between the City and the RM.

- Alternative transportation initiatives saw success in 2009. For the second year, Regina ranked first in its size category in the national Commuter Challenge. It also was named one of the top cities overall in terms of the number of participants. As well, Regina placed first in the carpool.ca Rideshare promotion in October by having the greatest participation in the Pledge to Pool program, ahead of other western cities including Calgary and Kelowna.

- The North Central Legacy study that examined transportation, housing, and land use in the North Central neighbourhood was completed in early 2009. The study will help to co-ordinate neighbourhood planning for the North Central neighbourhood with the development of a new shared facility on the Scott Collegiate site. The Canadian Institute of Planners recognized this study with an Award for Planning Excellence in the area of Planning For and Development of Aboriginal Communities.

- The City was given the Environmental Stewardship Award as part of the Saskatchewan Municipal Awards program for its involvement in the development of the McKell Wascana Conservation Park, which opened in September 2009.

- Significant work continues in the management of utilities that service the Global Transportation Hub. This large scale industrial development, located immediately west of the City, and south of Dewdney Avenue, requires construction of some $25 million of water, wastewater and drainage utilities to enable growth in this important economic project.

- Activity continues in design and tender and/or review and approval of major transportation and utility projects that support residential and commercial growth in the City, including the residential subdivisions of Harbour Landing in the Southwest and the Greens on Gardner and the Creeks in the Southeast. Major design projects underway in 2009 include the extension of Parliament Avenue east of Lewvan Drive and Courtney Street from 1st Avenue North to Sherwood Drive. Construction projects in 2009 include McCarthy Boulevard from Wadge Street to Diefenbaker Drive and the beginning of the Ross Avenue twinning from Sioux Street to Fleet Street.

- An EMME/3 Transportation Model update was initiated which will be a key component in the creation of a Transportation Master Plan. In addition, the Citywide Wastewater serviceability study and Northeast Sector Serviceability study are underway. These studies will be used in the development of the City's Official Community Plan.

- Through consultation with the Regina and Region Home Builders Association, a new Servicing Agreement Fee (SAF) Policy was adopted, which sets the 2010 SAF Rate. An updated the Development Standards Manual was completed.

- There were 800 survey requests and 450 drafting requests and GIS records for 3500 underground assets were established. Development Engineering also assisted in the registration of 175 plans and easements, administered 100 new water/sewer connections and sidewalk crossings, inspected 60 sites during construction, and located services for developers, builders and utilities 420 times.

- Working with Corporate Services, the division commissioned engineering and urban planning consultants to study the feasibility of a new entertainment centre on the current CP lands between Broad Street and Albert Street south of Dewdney Avenue. This work is in support of the provincial feasibility study that was completed in February 2010.
- The implementation of the 2009 reassessment was aligned with the corporate objective of improving customer service. Consultation took place with commercial property owners, business organizations, and local and national real estate professionals to ensure high quality assessments. Consultations with commercial property owners was used to get input and advise on the valuation models which improved the accuracy, transparency, and understanding of the assessment process. The implementation of the 2009 reassessment has produced lower appeal levels than previous reassessments particularly in the commercial and industrial sectors with more interaction occurring directly with property owners. The result of the low number of appeals for the 2009 reassessment significantly reduced the financial risk due to assessment appeals.
- The Property Tax Bill was redesigned for 2009 to make the bill easier to understand and to enhance understanding of the various taxing authorities share of taxes.

Strategic Priorities

Planning and Development Division is the City's lead Division in the planning and management of the City's growth. The functions of the Division as they relate to growth can be described as "dirt to dollars" – ability to take land (dirt) through the planning, design, development, and building process to assessment and finally taxation (dollars).

In a municipality where the size and needs of the population are in flux, this approach allows Planning and Development to drive strategic development through innovative tax policies and realize revenue that can be directed into buildings and sustaining public services. The City's approach to comprehensive planning is holistic, it looks at the physical, economic, environmental, social, and cultural developments of the City and focuses a wide-angle lens on the community that is in the process of being planned and built.

The Division's role in the development process begins with the establishment of a hierarchy of comprehensive policies, strategies, and plans to manage the growth of the City. The top most plan is the Official Community Plan (OCP) that addresses City and city-wide polices. The OCP is the adopted official statement of the City for future development and conservation. It sets out goals; analyzes existing conditions and trends; describes and illustrates a vision for the physical, social, economic, and cultural characteristics of the community in the years ahead; and outlines the policies and guidelines intended to implement that vision. An OCP addresses a broad range of interrelated topics in a unified way, and identifies and analyzes the important relationships among the economy, transportation, community facilities and services, housing, the environment, land use, human services and other community components. It does so on a community-wide basis and in the context of the broader region.

The 2009 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- Complete appeals arising from the 2009 reassessment
- Data collection and verification in preparation of the 2013 Reassessment Complete Reassessment 2009 and in subsequent years as legislated by the Provincial Government.

Divisional

- Update and integrate data systems (existing and in-development) across the Division, working toward automation, improvement of workflow processes between work units, improved data sharing, using GIS to its full capability, linking the new Permits, Applications, Information Database (PAIID) to the current TAS system, and managing data origin.
- Review and revise, where necessary, standards and specifications.

Our Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest, and landscapes.
- Reliable water, wastewater, storm, and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Rigourous data and monitoring of key performance indicators.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- Documentation and review of core business processes to identify areas for improvement, clarify roles and responsibilities, eliminate duplication of work, and understand the relationships between the various branches and departments involved in the processes.

Divisional

- Implement the recommendations of the review of real estate services to ensure the real estate portfolio management of the City's properties are done in the most effective way possible.
- Establish organizational structures for the Planning and Sustainability Department and the Real Estate Branch that focus on accountability, effectiveness, and efficiency.
- Identify proactive means of preparing for and reducing, future vacancies including succession planning, recruitment strategies and retention strategies (including orientation).
- Develop succession plans to ensure retention of corporate knowledge in the event of resignations or retirements.
- Under the Contemporary Workplace Strategy, focus on activities related to training and team building.
- Undertake a review of building standards and development applications and processes
- Implement the PAIID project

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.

- Skilled, knowledgeable, and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- Initiating and completing the initial phases of the Official Community Plan Review in support of a completion of the review by 2012 as identified in *Imagine Regina 2020: Accelerating Excellence.*
- Developing a Transportation Master Plan that provides for the effective and efficient movement of people and goods, considers all modes of transportation including vehicular, bicycle, transit, and pedestrian.
- In conjunction with the Public Works Division, completing three city-wide serviceability studies (water, wastewater, and storm water) to identify the capacity in each system, plan for the upgrading and maintenance of existing infrastructure and identify infrastructure requirements for new growth.
- Providing sound land use, transportation and infrastructure planning for major projects such as the Global Transportation Hub, new neighbourhoods and other key economic development projects in a time-sensitive manner that ensures sustainable development while facilitating economic growth.

Our Outcomes

- A compact and sustainable urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance the vibrancy of downtown.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- The development and implementation of activities in a divisional customer service plan, aligned with the Corporate Customer Service Strategy, ensuring that sufficient capacity and resources exist for thorough, effective, and timely response to customer inquiries and the various applications processed by the division.

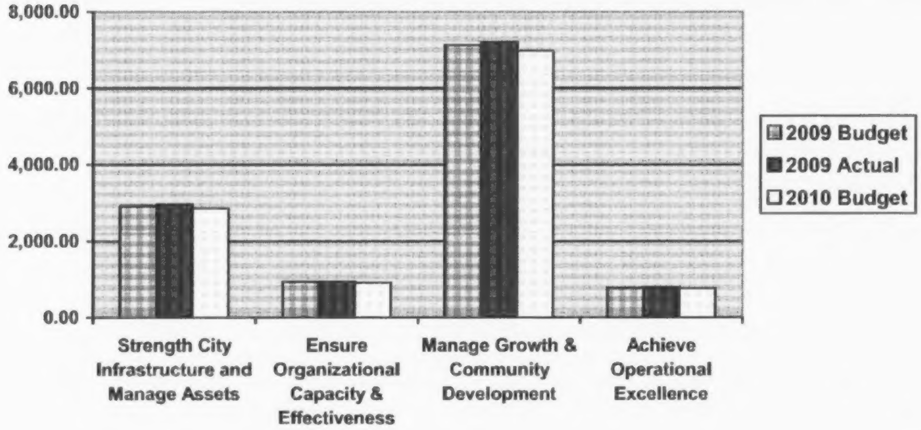
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Planning and Development Division has estimated its total allocation of operating budget as follows:

Strategic Priority



In a more traditional format, the Planning and Development Division has summarized its operating budget as follows:

Business Unit

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Office of the GM/Administration	331.4	332.6	**542.0**	210.6	63.5
Planning & Sustainability Department					
Office of the Director	800.1	1,051.9	**864.1**	64.0	8.0
Building Branch	1,512.9	1,573.8	**1,651.7**	138.8	9.2
Development Review Branch	665.2	584.1	**816.4**	151.2	22.7
Comprehensive Planning Branch	1,083.5	1,248.1	**1,098.5**	15.0	1.4
City Centre Branch	309.3	233.5	**526.5**	217.2	100.0
Development Engineering Department					
Office of the Director	335.8	419.8	**395.8**	60.0	17.9
Technical Services Branch	674.8	691.2	**857.0**	182.2	27.0
Infrastructure Development	634.7	719.0	**693.3**	58.6	9.2
Assessment & Taxation					
Assessment Valuation Branch	2,121.5	2,063.7	**2,253.1**	131.6	6.2
Property Tax & Administration Branch(1)	1,948.3	2,962.8	**1,828.2**	(120.1)	(6.2)
Total	10,417.5	11,880.5	**11,526.6**	1,109.1	10.6

Note:

1. 2009 Actual includes payment to the RM of Sherwood of $1.5 million for annexation.

Expense Object

				Budget Change	
Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Dollar Change	Per Cent Change
Salaries & Benefits	9,647.8	9,372.5	**10,927.2**	1,279.4	13.3
Automobile Allowances	470.7	623.3	**470.0**	(0.7)	(0.1)
Goods & Services	928.3	973.6	**784.5**	(143.8)	(15.5)
Housing Authority Operating	160.0	89.9	**160.0**	-	-
Property Taxes	-	1,494.5	**-**	-	-
Allocated Costs	(789.3)	(673.3)	**(815.1)**	(25.8)	3.3
Total	10,417.5	11,880.5	**11,526.6**	1,109.1	10.6

Costing Fund

The Planning and Development Division provides service to other Divisions that are charged out to their operating budgets. On a stand-alone basis, these costs are reflected as follows:

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	 Per Cent Change
Real Estate	669.3	627.1	**659.9**	(9.4)	(1.4)

Staff Complement

Full Time Equivalents	**2009**	**2010**
Permanent	139.6	144.6
Casual	4.1	9.1
Total	143.7	153.7

Note:
Budget and Actual numbers and the FTE's have been restated to reflect the current organizational structure.

Analysis of Operating Expenditure Budget Change

Details	($000's)
2009 Budget: Planning & Development ($6,347.7)/Assessment & Taxation ($4,069.8) Merged	10,417.5
1. Salaries and Benefits - includes cost changes resulting from in range progressions, classification reviews and employer benefit costs, including increases in the City's contribution to the Employees' Pension Plan. (Base)	845.0
2. Cost efficiencies found in consulting services and printing. (Base)	(114.1)
3. Allocated internal charges (Base)	(26.8)
4. A permanent Permit Facilitator to handle the growth in the area. (On-going)(1.0 Permanent FTE)	52.0
5. A permanent Community Planner II and a permanent Planner to assist with the increased volumes related to growth (On-going) (2.0 Permanent FTE)	95.5
6. A permanent City Planner II and a permanent Senior Planner are required to as Council has approved the action plan for the redevelopment of downtown, which requires additional staff. The Downtown Neighbourhood Plan also requires work to be done in bordering neighbourhoods. Funding his activity will increase service levels related to activities in the downtown and surrounding neighbourhoods. (On-going) (2.0 Permanent FTE)	170.0
7. Less 2009 Specials (One-time)	(387.5)
8. Official Community Plan - Phase II - Consultant Studies - (One-time)	150.0
9. Downtown Neighbourhood Plan Implementation - Urban Review Regina Downtown Neighbourhood Plan (RDNP) design reviews are required as part of the approved plan. The consulting firm, Office for Urbanism, will be retained on a short-term basis to review development proposals for compliance with the RDNP built form framework and urban design principles, while sufficient internal capacity to provide this professional service is developed. (One-time)	30.0
10. Term positions - Development Control Officer, Infrastructure Records Clerk, Customer Service Representative, Housing Coordinator and a Policy Analyst (One-time) (5.0 Casual FTE)	151.4
11. Additional Consulting Support for Condo Policy Development, Development Application Review Support and Neighbourhood Planning. (One-time)	113.6
12. Assessment of the Department structure and processes. (One-time)	30.0
2010 Budget	11,526.6

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Planning & Development Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

Expenditures (000's)	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Strengthen Infrastructure & Manage Assets	-	-	**-**	-	-
Ensure Organizational Capacity & Effectiveness	16,900.0	5,739.6	**-**	(16,900.0)	(100.0)
Manage Growth & Community Development	-	-	**11,137.0**	11,137.0	-
Achieve Operational Excellence	-	-	**-**	-	-
Total	16,900.0	5,739.6	**11,137.0**	(5,763.0)	(34.1)

Business Unit

Expenditures (000's)	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Real Estate					
Land Development	300.0	896.7	**1,595.0**	1,295.0	431.7
Planning & Sustainability					
Downtown Development	5,950.0	501.4	**2,892.0**	(3,058.0)	(51.4)
Development Engineering					
Transportation Projects	10,650.0	4,341.5	**6,650.0**	(4,000.0)	(37.6)
Total	16,900.0	5,739.6	**11,137.0**	(5,763.0)	(34.1)

Summary of Capital Investments

Details	($000's)
1. Land Development Projects - relate to the City's role in developing industrial land in Ross Industrial Park, North Argyle Park and other areas. Also, a number of studies will be undertaken to establish baseline information to be used in developing a new Official Community Plan.	1,595.0
2. City Centre Projects - primarily relate to the development of 12th Avenue Plaza, two way conversion of 11th and 12th Avenues, establishment of a new transit hub and associated work on the perimeter of Victoria Park. Another element of this capital funding accounts for the City's contribution towards affordable housing projects.	2,892.0
3. Roadway Network Improvements - consist of new road construction for locations approved as part of the Regina Road Network Plan. The majority of the locations are adjacent to new development areas and are partially funded by Servicing Agreement Fees.	6,650.0
2010 Budget	11,137.0

Costing Fund Budget Summary

Overview

The Costing Fund was established to account for operations that are not part of either the General Fund or the Water and Sewer Utility Fund. The Costing Fund includes:

- Real Estate, which carries out all real estate-related services for the City. This includes buying and leasing properties when required for City operations, selling or leasing City-owned properties, performing land development functions, selling properties taken through tax enforcement, and providing real estate services, information and advice to all city departments.

- Facilities Management Services, which includes the day-to-day operation and maintenance of City-owned facilities along with Central Stores and the Fuel/Lube Centre, including the Natural Gas Vehicle Program.

- Fleet Services, which includes management and maintenance for the City's fleet excluding those of Transit, Police, and Fire, as well as fuel management and Central Stores operations.

- The Print Services and Computer Leasing operations in Information Systems. Print Services is an in-house print shop, with the objective of providing quality output in a timely and cost effective manner. This includes responsibility for output devices (copiers, multi-functional and networked printers) and desktop computers.

- Roadways Operations – this operation provides for the maintenance and repair of roadway and sidewalk cuts made for the City water and sewer operations. The costs of the repairs are charged to the Water and Sewer Utility Budget.

- Granular Materials Supply and Asphalt Plant Operations – the purpose of Granular Materials Supply Section is to purchase, inventory and process granular materials, soils and other landscape products and recycled materials such as steel slag, crushed concrete and crushed asphalt. The Asphalt Plant produces a variety of asphalt mixes for paving, cut repair and patching.

- Open Space Landscape – this operation provides landscape services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Pursuant to the policy of City Council, the net revenue generated by Real Estate is transferred to the General Fund Reserve. The net revenue can vary substantially due to the volume of land sales. A land development reserve is proposed which would act as recipient of these funds instead of the General Fund Reserve, pending Council approval, and bylaw amendment.

For other operations in the Costing Fund, the purpose of the costing fund is to function as a cost distribution mechanism. All of the costs are allocated to other operating and/or capital budgets.

Costing Fund Expenditure Summary ($000's)

Expenditures	2009 Budget	2009 Actual	**2010 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Corporate Services:					
Facilities & Energy Management	5,910.0	6,082.6	**6,086.4**	176.4	3.0
Fleet Services	18,467.2	18,321.2	**16,583.7**	(1,883.5)	(10.2)
Information Systems	1,521.3	1,557.6	**1,472.9**	(48.4)	(3.2)
	25,898.5	25,961.4	24,143.0	(1,755.5)	(6.8)
Public Works:					
Granular Material & Asphalt Plant	4,673.0	5,738.5	**6,151.4**	1,478.4	31.6
Roadway Operations	1,505.8	1,622.6	**1,329.8**	(176.0)	(11.7)
	6,178.8	7,361.1	7,481.2	1,302.4	21.1
Community Services:					
Open Space - Landscape	1,357.4	1,390.2	**1,457.6**	100.2	7.4
Planning & Development					
Real Estate	669.3	627.1	**659.9**	(9.4)	(1.4)
	34,104.0	35,339.8	33,741.7	- 362.3	- 1.1